



AGENDA OF THE CITY COUNCIL AND THE COUNCIL SITTING AS THE REDEVELOPMENT AGENCY

**REGULAR CC/RDA MEETING
Council Chamber in City Hall
68-700 Avenida Lalo Guerrero
Cathedral City, CA 92234**

WEDNESDAY, OCTOBER 24, 2001

**Study Session - 3:00 p.m.
Regular Meeting - 7:30 p.m.**

PLEASE NOTE: THE CITY HAS IN EFFECT AN ORDINANCE REGARDING LOBBYING THAT REQUIRES PERSONS BEING PAID TO MAKE A PRESENTATION ON BEHALF OF SOMEONE OTHER THAN THEMSELVES TO DISCLOSE THAT FACT AT THE TIME OF THEIR PRESENTATION, AND, IN SOME INSTANCES, TO REGISTER WITH THE CITY CLERK PRIOR TO APPEARING BEFORE THE CITY COUNCIL, PLANNING COMMISSION OR CITY STAFF.

3:00 P.M.

CALL TO ORDER


- a) Roll Call of City Council/RDA Member(s)
- b) Action to Excuse Absent City Council/RDA Member(s)

PUBLIC COMMENTS

If any person desires to address members of the City Council and/or the Redevelopment Agency Board, this will be the **only opportunity to do so during this Study Session**. Please limit your remarks to 3 minutes. In response to any public comment on an item or matter which **has not been placed on this Agenda** pursuant to Government Code Section 54954.2, members of the City Council/Redevelopment Agency Board may only: **1)** briefly respond to statements made or questions posed by the public; **2)** ask a question for clarification; **3)** make a brief report on his or her own activities; **4)** provide a reference to staff or other resources for factual information; **5)** request staff to report back to the City Council at a subsequent meeting concerning any matter raised by the public; or, **6)** take action to direct staff to place a matter of business on a future Agenda. (California Government Code Section 54954)

STUDY SESSION (Normally, No Action Is Taken On Study Session Items; However, The City Council Does Reserve The Right To Give Specific Policy Direction And To Take Specific Action As Necessary.)

Presentations will be limited to 10 minutes unless other provisions are made in advance.

1. Introduction of New Personnel:
  Redevelopment Agency - Susan Moeller
 – Charlene Sumpter, Project Coordinator
2. Presentation (PowerPoint) by Tom Kirk, Executive Director of the Salton Sea Authority, Providing a Detailed Briefing on the Status of the Salton Sea Restoration. **(30-minutes)**
3. First Quarter Budget Review. (Dudley Haines) **(15-minutes)**
4. Presentation by Dick Cromwell, Executive Director of Sunline Transit Agency regarding Bond issuance for a Power Generation Facility. **(15-minutes)**
5. Discussion of Potential Schedule Conflicts with Upcoming Council Meetings. (Donald Bradley)
6. Councilmember Reports of Committee Meetings.
7. Review of October 24, 2001, City Council/Redevelopment Agency Board Agendas.
8. City Council/staff Reports and Inquiries Regarding Status of New or Ongoing Projects.
9. Closed Session Urgency Items.

CC/RDA WILL ADJOURN TO CLOSED SESSION



CLOSED SESSION

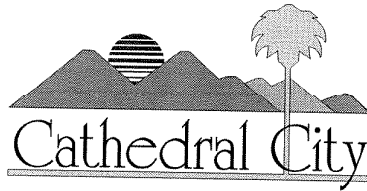
**AGENDA OF THE CITY COUNCIL AND THE COUNCIL
SITTING AS THE REDEVELOPMENT AGENCY**

**REGULAR CC/RDA MEETING
WEDNESDAY, OCTOBER 24, 2001**

1. CONFERENCE WITH LEGAL COUNSEL REGARDING POTENTIAL LITIGATION pursuant to government Code Section 54956.9 subd. (c).
Number of Potential Cases: Two
 2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. (Paul Shillcock)
Properties:
Location: Various Parcels South of East Palm Canyon Drive Between Date Palm and Van Fleet APN Nos.: 687-222-004; 687-224-007; 687-225-011; 687-225-017; and 687-221-001
Negotiating Parties:
Agencies: Redevelopment Agency and BCN Development
Property Owner: Redevelopment Agency
Under Negotiation: Disposition and Development Agreement
 3. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. (Warren Bradshaw)
Properties:
Location: 68765 E Street
Negotiating Parties:
Agencies: Redevelopment Agency
Property Owner: William H. De La Campa
Under Negotiation: Acquisition of Property
 4. PERSONNEL MATTER pursuant to Government Code Section 54957. (Donald Bradley)
Issue for Discussion: Deputy City Clerk
- RECOMMENDATION: Adopt motion to recess to closed session pursuant to the above noted statutes.

REPORT OF ACTION(S), IF ANY

**CC/RDA WILL ADJOURN TO
REGULAR MEETING AT 7:30 P.M.**



AGENDA OF THE CITY COUNCIL AND THE COUNCIL SITTING AS THE REDEVELOPMENT AGENCY

REGULAR CC/RDA MEETING
7:30 P.M.
WEDNESDAY, OCTOBER 24, 2001

- a) Invocation
- b) Flag Salute

CLOSED SESSION ANNOUNCEMENTS

PUBLIC COMMENTS

During this part of the meeting, the public is invited to address the City Council, and/or the Redevelopment Agency Board on any matter **not on the Agenda** or any item on the **Consent Agenda** by stepping to the lectern and giving his/her name and City of residence for the record. Unless additional time is authorized by the City Council, remarks on agenda items shall be limited to three minutes. **If you wish to speak on an agenda item, please wait to be recognized under that item.**

In response to any public comment on an item or matter which **has not been placed on this Agenda** pursuant to Government Code Section 54954.2, members of the City Council and/or the Redevelopment Agency Board may only: **1)** briefly respond to statements made or questions posed by the public; **2)** ask a question for clarification; **3)** make a brief report on his or her own activities; **4)** provide a reference to staff or other resources for factual information; **5)** request staff to report back to the City Council at a subsequent meeting concerning any matter raised by the public; or, **6)** take action to direct staff to place a matter of business on a future Agenda. (California Government Code Section 54954)

AGENDA FINALIZATION

At this time, the City Council and/or the Redevelopment Agency Board may announce any items being pulled from the Agenda or continued to another date.

Urgency Items ("Added Starters"): The Brown Act permits the City Council to take action on any item that does not appear on the Agenda only if 2/3 of the City Council (if all are present) or all members of the Council (if less than all are present) determine there is a need to take immediate action on the item and that the need to take immediate action came to the City Council's attention after the posting of the Agenda.

COUNCIL COMMENTS

Councilmembers' Comments on Items not on the Agenda.

PRESENTATIONS AND PROCLAMATIONS

- ☞ Certificate of Recognition of Outstanding Achievement to Cathedral City Police Officer Rudy Salinas for securing a Bronze and Gold Medal in the Police and Fire Olympics. (Stan Henry)
- ☞ Introduction of New Police Officer Thomas Ferguson. (Stan Henry)

CALL FOR CORRECTIONS/APPROVAL OF MINUTES

Corrections/Approval of Minutes of the Regular City Council/Redevelopment Agency Board Meeting Held on October 10, 2001.

PLEASE NOTE: THE CITY HAS IN EFFECT AN ORDINANCE REGARDING LOBBYING THAT REQUIRES PERSONS BEING PAID TO MAKE A PRESENTATION ON BEHALF OF SOMEONE OTHER THAN THEMSELVES TO DISCLOSE THAT FACT AT THE TIME OF THEIR PRESENTATION, AND, IN SOME INSTANCES, TO REGISTER WITH THE CITY CLERK PRIOR TO APPEARING BEFORE THE CITY COUNCIL, PLANNING COMMISSION OR CITY STAFF.

CONSENT AGENDA

ALL MATTERS LISTED ON THE CONSENT AGENDA ARE CONSIDERED TO BE ROUTINE IN NATURE AND WILL BE ENACTED BY ONE ROLL CALL VOTE. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS MEMBERS OF THE CITY COUNCIL, THE REDEVELOPMENT AGENCY BOARD, AND/OR THE AUDIENCE REQUEST SPECIFIC ITEMS BE REMOVED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION AND/OR ACTION.

- COUNCIL** 1. Proposed Ordinance authorizing Change of Zone 01-75, amending the City's Zoning Map to change properties generally bounded by Ramon Road and Dinah Shore and between Date Palm and the Whitewater River from R2-B (Multifamily Residential - Density Bonus) to R1 (Single-family Residential), respectively. **(2ND Reading)** (Cynthia Kinser) **(Pg.1)**

- a. Recommendation: Waive Further Reading and Adopt Ordinance No. _____

- COUNCIL** 2. Proposed Zoning Ordinance Amendment 01-209, amending the City's Zoning Ordinance regarding exempting existing multi-family units on R1 (Single-family Residential) zoned properties in the area bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River. **(2nd Reading)** (Cynthia Kinser) **(Pg.12)**

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- a. Recommendation: Waive Further Reading and Adopt Ordinance No. _____

COUNCIL 3. Proposed Ordinance amending the Municipal Code, including the Zoning Ordinance, to change all references to "Director", "Community Development Director" and/or "Director of Community Development" to "City Planner". **(2nd Reading)** (Steve Quintanilla) **(Pg. 24)**

- a. Recommendation: Waive Further Reading and Adopt Ordinance No. _____

PUBLIC HEARINGS:

COUNCIL 4. Proposed Ordinance approving an amendment to Ordinance No. 471 regarding the development review process within the Rio Vista Village Specific Plan. (Cynthia Kinser) **(1st Reading)** **(Pg. 28)**

- a. Report by City Planner
- b. Public Hearing
- c. Recommendation: Waive Further Reading and Introduce the Ordinance.

CC/RDA 5. **1)** Proposed Resolution of the Redevelopment Agency to amend the Preliminary Plans for Project Nos. 1 and 3 to delete certain property from Redevelopment Project No. 3 and add the deleted property to Project Area No. 1, and approving a Preliminary Plan formulated for the Redevelopment of the added area;
2) Proposed Resolution of the City Council calling for the Formation of Project Area Committee for the fourth amendment to the Redevelopment Plan for Redevelopment Project Area No. 1 and adopting procedure therefore;
3) Proposed Resolution of the City Council determining that a Project Area Committee shall not be formed in connection with the proposed amendment to the Redevelopment Plan for Project Area No. 2; and
4) Proposed Resolution of the City Council determining that a Project Area Committee shall not be formed in connection with the proposed amendment to the Redevelopment Plan for Project Area No. 3. (Susan Moeller) **(Pg. 37)**

- a. Report by Redevelopment Director
- b. Public Hearing
- c. Recommendation: 1) Adopt Resolution No. R - _____
2) Adopt Resolution No. 2001- _____
3) Adopt Resolution No. 2001- _____
4) Adopt Resolution No. 2001- _____

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- COUNCIL** 6. Proposed Ordinance amending Chapter 19.16 of the City's Zoning Ordinance, "Screening of Outdoor Storage and Trash Enclosures" regarding a reduction in the time frame in which a trash enclosure is to be installed upon written notification from the City. (Cynthia Kinser) (**1st Reading**) (**Pg. 84**)
- a. Report by City Planner
 - b. Public Hearing
 - c. Recommendation: Waive Further Reading and Introduce the Ordinance.

LEGISLATIVE ACTION:

- COUNCIL** 7. Approval of Final Parcel Map No. 29719 (Ritz Carlton Golf Course), accept the dedications made to the City on the final map, and authorize the execution of the performance agreement. (Dave Faessel) (**Pg. 90**)
- a. Report by City Engineer Dave Faessel
 - b. Public Input
 - c. Recommendation: Approval
- COUNCIL** 8. Authorization for Cathedral City to enter into a Feasibility Study regarding the formation of a Regional Municipal Electric Utility. (Donald Bradley) (**Pg. 92**)
- a. Report by City Manager
 - b. Public Input
 - c. Recommendation: Approval
- RDA** 9. Authorize the Executive Director to execute a Memorandum of Understanding (MOU) with Alpha III, Inc. (as prepared by the City Attorney and substantially in the form of the attached draft) for the development of 185 units of family housing in Project Area Number 3, at the west end of Avenue 33. (Susan Moeller) (**Pg.116**)
- a. Report by Redevelopment Director
 - b. Public Input
 - c. Recommendation: Approval

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- COUNCIL** 10. Authorization to: **1)** award a Contract for Professional Services to David Taussig & Associates in an amount of \$85,770 to perform a detailed City Infrastructure & Service Fee/Costs Analysis for the area north of I-10 as outlined in the 2000-2001 Capital Improvements Program (CIP); **2)** do a fund transfer in the amount of \$18,250 in funds from Measure A and Gas Tax fund balances; and **3)** issue a Purchase Order in said amount plus 10% for contract contingencies for a total encumbrance of \$93,250.00. (Jerry Jack) **(Pg. 132)**
- a. Report by Traffic Engineer
 - b. Public Input
 - c. Recommendation: Approval
- RDA** 11. Approval of Professional Services Agreements with Mark Briggs and Associates (MBA) to: **1)** prepare an Economic Development Administration Grant for the BCN/Sheraton Hotel project, the cost of which would be \$23,000.00 (plus actual travel expenses not to exceed \$1500.00); and **2)** prepare a Department of Housing and Urban Development Section 108 Loan/Brownfields Economic Development Initiative Grant for the BCN/Sheraton Hotel project, the cost of which would be \$29,000.00 (plus actual travel expenses not to exceed \$800.00). (Susan Moeller) **(Pg. 139)**
- a. Report by Redevelopment Director
 - b. Public Input
 - c. Recommendation: Approval
- COUNCIL** 12. Authorization of the City Manager to execute an agreement with Riverside County through the Health Services Agency Department of Environmental Health, Hazardous Materials Management Division, establishing the Responsibilities of each Agency concerning the County's Mobile Household Hazardous Collection Program. (Deanna Pressgrove) **(Pg. 178)**
- a. Report by Environmental Conservation Manager
 - b. Public Input
 - c. Recommendation: Approval
- COUNCIL** 13. Approval of increased costs for animal control services with California Animal Care in the amount of \$21,000. (Stan Henry) **(Pg.189)**

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- a. Report by Chief of Police
- b. Public Input
- c. Recommendation: Approval

COUNCIL 14. Approve the expenditure of \$14,884 for the expansion and addition to the Holiday Decorating Program. (Tony Barton) **(Pg. 195)**

- a. Report by Parks and Recreation Manager
- b. Public Input
- c. Recommendation: Approval

COUNCIL 15. Proposed Resolution of City support and recognition of United States Senator Barbara Boxer's efforts in increasing tourism. (Greg Pettis) **(Pg. 198)**

- a. Report by Mayor Pro Tem
- b. Public Input
- c. Recommendation: Approval

COUNCIL REPORTS ON CITIZEN INQUIRIES AND CONCERNS.

ADJOURNMENT

To the next regularly scheduled meeting of the City Council/Redevelopment Agency Board
Wednesday, November 14, 2001.

NOTE TO THE PUBLIC

Agendas and back-up material giving more information on each agenda item, with the staff's recommendations, have been provided to all Councilmembers. These same materials are on display in the main City Hall lobby, in the Police Department lobby, in the lobby outside the Council Chamber, and in the City Clerk's office from the Thursday preceding the regular Council meeting. Staff "recommendations" are only that; the City Council makes its own decisions based on all information provided to them. The Agenda, by itself, can also be reviewed on the City's Web Site at:

www.cathedralcity.gov

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk by phone at (760) 770-0322. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102-35.104 ADA Title II]

PLEASE BE ADVISED THAT CITY HALL IS CLOSED EVERY FRIDAY



AGENDA REPORT
for consideration by the
CATHEDRAL CITY CITY COUNCIL

Reso. # 2001-70
1ST READING & CROSSING
2nd READING

SUBJECT: An amendment to the City's General Plan Land Use Map and Zoning Map to change approximately 423 acres of land, generally bounded by Ramon Road and Dinah Shore and between Date Palm and the Whitewater River, as further shown on Exhibit "A", from M/B (Medium Density Residential with Bonus Density Program, 4.5 to 10 dwelling units per acre) to L (Low Density Residential, 2 to 4.5 dwelling units per acre), and from R2-B (Multifamily Residential - Density Bonus) to R1 (Single-family Residential), respectively; and a Zoning Ordinance text amendment regarding multi-family legal non-conforming uses.


DEPARTMENT: Planning

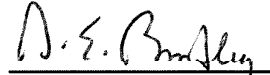
MEETING DATE: October 10, 2001

CONTACT PERSON: Cynthia S. Kinser

DEADLINE FOR ACTION: N/A

APPROVED:


Department


City Manager


Finance

RECOMMENDATION:

That the City Council adopt the draft Resolutions, thereby approving General Plan Amendment 01-75, Change of Zone 01-101 and Zoning Ordinance Amendment 01-209, amending the City's General Plan Land Use Map and Zoning Map to change properties generally bounded by Ramon Road and Dinah Shore and between Date Palm and the Whitewater River from M/B (Medium Density Residential with Bonus Density Program, 4.5 to 10 dus/acre) to L (Low Density Residential 2 to 4.5 dus/acre), and from R2-B (Multifamily Residential - Density Bonus) to R1 (Single-family Residential), respectively; and a Zoning Ordinance text amendment regarding multi-family legal non-conforming uses.

Executive Summary:

In September 1999, the City Council adopted a moratorium on multi-family development on lots less than one acre in size in the area between Ramon Road and Dinah Shore, and between the Whitewater River and Date Palm Drive. The moratorium was based upon concerns regarding public safety. The intent of the moratorium was to allow for a time frame in which to change the land use, through the review and approval of the update to the City's General Plan. The General Plan scope of work was expanded and, thereby, the revised General Plan is not in place to address this area. The City Council directed staff to proceed with an amendment to change the area from a multi-family designation to a single-family designation in advance of the General Plan update, due to continued concerns for the quality of life and public safety in the subject area.

BACKGROUND:

In September 1999, the City Council adopted a moratorium on multi-family development on lots less than one acre in size in the area between Ramon Road and Dinah Shore, and between the Whitewater River and Date Palm Drive. The moratorium was based upon concerns regarding public safety and quality of life. This square-mile area is the most densely populated area within the City's 13 square miles and accounts for approximately 25% of the calls for service to the Police Department. This area also has the highest calls for service for the Fire Department.

The intent of the moratorium was to allow for a time frame in which a change of land use, along with other provisions, could be explored through the review and approval of the City's General Plan. The moratorium was extended to the maximum extent permitted by law and expired on September 22, 2001. However, the General Plan scope of work was expanded and, thereby, the revised General Plan is not in place to address this area.

There are presently, approximately 340 vacant lots within the subject area. If they were all developed as duplexes this could permit an additional 680 units. The City Council has identified that there is an existing public welfare concern with the area's existing density and a lack of public amenities, such as recreational facilities. Further, that increased density will provide a further strain on the City's budget with regard to Police and Fire needs. Therefore, the City Council has directed staff to proceed with a General Plan Amendment and Change of Zone to change the majority of the subject area (see attached map) from a designation that presently allows multi-family (2 units or more) on a parcel, to a designation that would permit a single dwelling unit on a lot.

ANALYSIS:

As noted on the attached map, it does not identify any changes to property fronting on Ramon, which is commercial, nor to Date Palm frontage, which is a combination of commercial, multi-family and vacant lots. Furthermore, there is an area east of Cathedral Canyon, from Ramon to Dinah Shore that is proposed to remain as multi-family due to existing multi-family developments or projects that have achieved recent entitlements. The triangular properties adjacent to Dinah Shore are also proposed to remain as multi-family.

If the General Plan Amendment and Change of Zone is adopted, then only single family residential units could be developed within this area, which may pose a concern to those that have existing multi-family units on their property. Existing multi-family development would become "legal non-conforming use". A legal non-conforming use means that the use was permitted at the time of construction, however, since then the provisions have changed and the use is no longer permitted. The "non-conforming" status on existing development could preclude property owners from obtaining financing on their property, as technically this would mean that if 50% or greater of the structure was destroyed that only one unit could replace the previous multiple units.

As a result, staff is recommending a Zoning Ordinance Amendment that would add a new provision that identifies that all existing multi-family uses (2 units or more on a lot) in the R1 zone in the area bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, shall be deemed conforming.

This provision would allow property owners with existing multi-family units within this subject area to be reconstructed should the structure be destroyed by 50% or greater, and thereby, not detract from property values.

ENVIRONMENTAL REVIEW

The proposed amendments have been reviewed in accordance with the California Environmental Quality Act, and it has been determined that the proposed amendments minimize impacts on the environment, thereby, a Negative Declaration is recommended.

NOTIFICATION

When greater than 1,000 properties are involved, then an ad within the local newspaper is permitted rather notices to individual property owners. Attached is a copy of the public hearing notice.

FISCAL IMPACT:

The change from of multi-family designation to a single-family designation will reduce the ultimate number of units and population within the subject area than was previously anticipated. Thereby, the change in use will assist in reducing the costs and resources necessary to provide services within the subject area.

ALTERNATIVE:

Deny the requested Amendments, which will allow multi-family development to continue to be developed in the area, which will continue to tax City resources, particularly with relation to Police and Fire services.

ATTACHMENTS

- 1) Resolution - General Plan Amendment 01-75
- 2) Ordinance - Change of Zone 01-101
- 3) Ordinance - Zoning Ordinance Amendment 01-209
- 4) Public Hearing Notice

RESOLUTION NO. 2001- 70

GENERAL PLAN AMENDMENT 01-75

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY, CALIFORNIA, ADOPTING A NEGATIVE DECLARATION AND APPROVING AN AMENDMENT TO THE CITY'S LAND USE MAP OF THE GENERAL PLAN FOR APPROXIMATELY 423 ACRES OF LAND, FOR AN AREA GENERALLY BOUNDED BY RAMON ROAD AND DINAH SHORE, AND BETWEEN DATE PALM DRIVE AND THE WHITEWATER RIVER, AS FURTHER SHOWN IN EXHIBIT "A", FROM M/B (MEDIUM DENSITY RESIDENTIAL - 4.5 TO 10 DWELLING UNITS, WITH BONUS DENSITY PROGRAM) TO L (LOW DENSITY RESIDENTIAL - 2 TO 4.5 DWELLING UNITS PER ACRE)

WHEREAS, an application to the City of Cathedral City, California, for approval of General Plan Amendment 01-75 under the provisions of the Cathedral City Municipal Code and Zoning Ordinance was initiated by the City of Cathedral City; and

WHEREAS, said application has been submitted to the City's Planning Commission for recommendation after a properly noticed public hearing was held on October 3, 2001; and

WHEREAS, said application has been submitted to the City's City Council for recommendation after a properly noticed public hearing was held on October 10, 2001; and

WHEREAS, the request is to change the Land Use Map for the General Plan for approximately 423 acres, for an area generally bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, as further shown in Exhibit "A", from M/B (Medium Density Residential - 4.5 to 10 dwelling units per acre, with Bonus Density Program) to L (Low Density Residential - 2 to 4.5 dwelling units per acre); and

WHEREAS, the City of Cathedral City acting as Lead Agency has determined that the requested General Plan Amendment 01-75 will not have a significant impact on the environment, a Negative Declaration is recommended to the City Council for adoption; and

Section 1. The Planning Commission considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the Planning Commission by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 2. The City Council considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the City Council by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 3. Based on the foregoing evidence the City Council finds that:

- a) The proposed general plan amendment is in conformity with the General Plan.

City Council Resolution

Re: GPA 01-75

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The subject land area consists of single-family, multi-family and vacant lots that have been previously subdivided. The General Plan identifies:

7. Objective: Provide a safe, attractive and balanced residential environment;
 - 7.2.3 Program: Review and possible revision of single- and multiple-family dwelling site development standards if and when new safety or quality-of-life issues arise.
8. Objective: To the maximum feasible degree, housing and residential development shall, by design, encourage safe living.
9. Objective: Preserve or enhance existing neighborhoods. Encourage the development of vacant parcels in existing neighborhoods when the use will not be detrimental to the quality of the neighborhoods.

The General Plan Amendment, in combination with Change of Zone 01-101 will encourage single-family development, within the existing mix of single-family and multi-family development, and thereby reduce the potential for the area to become over-crowded.

b) The proposed general plan amendment is necessary and proper at this time, and is not likely to be detrimental to the adjacent property or residents.

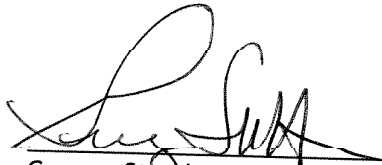
The subject area has experienced the greatest number of calls for service for Police and Fire resources. The City Council has previously identified that it desires to promote safe, attractive and balanced housing within the area by providing a balanced mix of single-family and multi-family uses within the subject area without further increasing the density and population, and thereby minimize the impact on City services necessary to facilitate the subject area, particularly with regards to Fire and Police services. The General Plan Amendment will promote a balanced community and quality of life.

NOW, THEREFORE, LET IT BE RESOVLED, that the City Council of the City of Cathedral City does adopt a Negative Declaration and approves General Plan Amendment 00-75, amending the City's Land Use Map of the General Plan for approximately 423 acres of land, for an area generally bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, as further shown in Exhibit "A", from (M/B (Medium Density Residential - 4.5 to 10 dwelling units, with Bonus Density Program) to L (Low Density Residential - 2 to 4.5 dwelling units per acre).

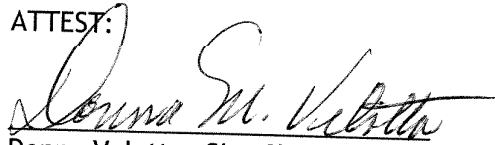
The Clerk to the City Council shall certify as to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

The foregoing Resolution was approved and adopted at a meeting of the City Council held on the 10th day in the month of OCTOBER, 2001 by the following vote:

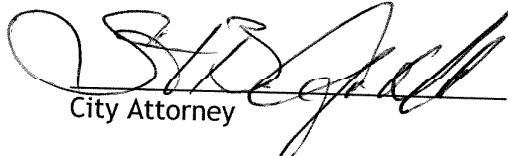
Ayes: Councilmembers De Rosa & England, Mayor Pro Tem Pettis
Noes: none
Abstain: Councilmember Di Idrandi and Mayor Stettler
Absent: none


George Stettler, Mayor

ATTEST:


Donna Velotta, City Clerk

APPROVED AS TO FORM:


City Attorney

APPROVED AS TO CONTENT:


Cynthia S. Kinser, City Planner

REVIEWED:

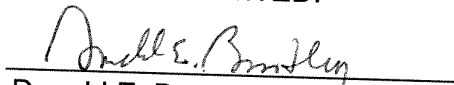

Donald E. Bradley, City Manager



Exhibit "A"

ORDINANCE NO.

CHANGE OF ZONE 01-101

A ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY, CALIFORNIA, ADOPTING A NEGATIVE DECLARATION AND APPROVING A CHANGE OF ZONE FROM R2/B (MULTI-FAMILY RESIDENTIAL/BONUS DENSITY) TO R1 (SINGLE FAMILY RESIDENTIAL) FOR APPROXIMATELY 423 ACRES OF LAND, AS SHOWN IN EXHIBIT "A", GENERALLY BOUNDED BY RAMON ROAD AND DINAH SHORE, AND BETWEEN DATE PALM DRIVE AND THE WHITEWATER RIVER

WHEREAS, an application to the City of Cathedral City, California, for approval of Change of Zone 01-101, under the provisions of the Cathedral City Municipal Code and Zoning Ordinance was initiated by the City of Cathedral City; and

WHEREAS, said application has been submitted to the City's Planning Commission for recommendation after a properly noticed public hearing was held on October 3, 2001; and

WHEREAS, said application has been submitted to the City's City Council for recommendation after a properly noticed public hearing was held on October 10, 2001; and

WHEREAS, the request is to change the Official Zoning Map for approximately 423 acres of land, as shown in Exhibit "A", generally bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, from R2/B (Multi-family Residential/Bonus Density) to R1 (Single-family Residential); and

WHEREAS, the City of Cathedral City acting as Lead Agency has determined that the requested Change of Zone 01-101 will not have a significant impact on the environment, a Negative Declaration, is recommended to the City Council for adoption; and

Section 1. The Planning Commission considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the Planning Commission by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 2. The City Council considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the City Council by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 3. Based on the foregoing evidence the City Council finds that:

- a) The proposed zoning ordinance amendment is in conformity with the General Plan.

The subject land area consists of single-family, multi-family and vacant lots that have been previously subdivided. The General Plan identifies:

7. Objective: Provide a safe, attractive and balanced residential environment;
 - 7.2.3 Program: Review and possible revision of single- and multiple-family dwelling site development standards if and when new safety or quality-of-life issues arise.
8. Objective: To the maximum feasible degree, housing and residential development shall, by design, encourage safe living.
9. Objective: Preserve or enhance existing neighborhoods. Encourage the development of vacant parcels in existing neighborhoods when the use will not be detrimental to the quality of the neighborhoods.

The Change of Zone, in combination with General Plan Amendment 01-75 will encourage single-family development, within the existing mix of single-family and multi-family development, and thereby reduce the potential for the area to become over-crowded.

b) The subject property is suitable for the uses permitted in terms of access, size of the parcel, relationship to similar or related uses, and other considerations deemed relevant by the Commission and Council.

The subject area has been previously subdivided into individual lots, the lots are consistent with the minimum standards for a single-family residential use. The existing lot configuration is more appropriate for single-family development to provide a typical single-family home, adequate vehicular access and open space.

c) The proposed change of zone is necessary and proper at this time, and is not likely to be detrimental to the adjacent property or residents.

The subject area has experienced the greatest number of calls for service for Police and Fire resources. The City Council has previously identified that it desires to promote safe, attractive and balanced housing within the area by providing a balanced mix of single-family and multi-family uses within the subject area without further increasing the density and population, and thereby minimize the impact on City services necessary to facilitate the subject area, particularly with regards to Fire and Police services. The Change of Zone will promote a balanced community.

NOW, THEREFORE, LET IT BE RESOVLED, that the City Council of the City of Cathedral City does adopt a Negative Declaration and approves Change of Zone 01-101, changing approximately 423 acres of land, from R2/B (Multi-family Residential/Bonus Density) to R1 (Single-family Residential), for an area generally bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, as shown in Exhibit "A".

Section 4. Repeal of Conflicting Provisions

All the provisions of the Cathedral City Municipal Code and Zoning Ordinance as heretofore adopted by the City of Cathedral City that are in conflict with the provisions of this ordinance are hereby repealed.

Section 5. Effective Date

This ordinance shall take effect thirty (30) days after its second reading by the City Council.

Section 6. Posting

The City Clerk shall within 15 days after passage of this Ordinance, cause it to be posted in at least the three (3) public places designated by resolution of the City Council; shall certify to the adoption and posting of this Ordinance; and, shall cause this Ordinance and its certification, together with proof of posting, to be entered in the Book of Ordinances of this City.

The foregoing Ordinance was approved and adopted at a meeting of the City Council held on the ____ day in the month of _____, 2001 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

George Stettler, Mayor

ATTEST:

Donna Velotta, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

City Attorney

Cynthia S. Kinser, City Planner



Exhibit "A"



AGENDA REPORT
for consideration by the
CATHEDRAL CITY CITY COUNCIL

Reso. # 2001-70

1ST READING of Ord. 1410

2nd READING

SUBJECT: An amendment to the City's General Plan Land Use Map and Zoning Map to change approximately 423 acres of land, generally bounded by Ramon Road and Dinah Shore and between Date Palm and the Whitewater River, as further shown on Exhibit "A", from M/B (Medium Density Residential with Bonus Density Program, 4.5 to 10 dwelling units per acre) to L (Low Density Residential, 2 to 4.5 dwelling units per acre), and from R2-B (Multifamily Residential - Density Bonus) to R1 (Single-family Residential), respectively; and a Zoning Ordinance text amendment regarding multi-family legal non-conforming uses.

DEPARTMENT: Planning

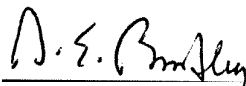
MEETING DATE: October 10, 2001

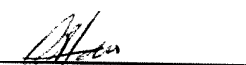
CONTACT PERSON: Cynthia S. Kinser

DEADLINE FOR ACTION: N/A

APPROVED:


Department


City Manager


Finance

RECOMMENDATION:

That the City Council adopt the draft Resolutions, thereby approving General Plan Amendment 01-75, Change of Zone 01-101 and Zoning Ordinance Amendment 01-209, amending the City's General Plan Land Use Map and Zoning Map to change properties generally bounded by Ramon Road and Dinah Shore and between Date Palm and the Whitewater River from M/B (Medium Density Residential with Bonus Density Program, 4.5 to 10 dus/acre) to L (Low Density Residential 2 to 4.5 dus/acre), and from R2-B (Multifamily Residential - Density Bonus) to R1 (Single-family Residential), respectively; and a Zoning Ordinance text amendment regarding multi-family legal non-conforming uses.

Executive Summary:

In September 1999, the City Council adopted a moratorium on multi-family development on lots less than one acre in size in the area between Ramon Road and Dinah Shore, and between the Whitewater River and Date Palm Drive. The moratorium was based upon concerns regarding public safety. The intent of the moratorium was to allow for a time frame in which to change the land use, through the review and approval of the update to the City's General Plan. The General Plan scope of work was expanded and, thereby, the revised General Plan is not in place to address this area. The City Council directed staff to proceed with an amendment to change the area from a multi-family designation to a single-family designation in advance of the General Plan update, due to continued concerns for the quality of life and public safety in the subject area.

BACKGROUND:

In September 1999, the City Council adopted a moratorium on multi-family development on lots less than one acre in size in the area between Ramon Road and Dinah Shore, and between the Whitewater River and Date Palm Drive. The moratorium was based upon concerns regarding public safety and quality of life. This square-mile area is the most densely populated area within the City's 13 square miles and accounts for approximately 25% of the calls for service to the Police Department. This area also has the highest calls for service for the Fire Department.

The intent of the moratorium was to allow for a time frame in which a change of land use, along with other provisions, could be explored through the review and approval of the City's General Plan. The moratorium was extended to the maximum extent permitted by law and expired on September 22, 2001. However, the General Plan scope of work was expanded and, thereby, the revised General Plan is not in place to address this area.

There are presently, approximately 340 vacant lots within the subject area. If they were all developed as duplexes this could permit an additional 680 units. The City Council has identified that there is an existing public welfare concern with the area's existing density and a lack of public amenities, such as recreational facilities. Further, that increased density will provide a further strain on the City's budget with regard to Police and Fire needs. Therefore, the City Council has directed staff to proceed with a General Plan Amendment and Change of Zone to change the majority of the subject area (see attached map) from a designation that presently allows multi-family (2 units or more) on a parcel, to a designation that would permit a single dwelling unit on a lot.

ANALYSIS:

As noted on the attached map, it does not identify any changes to property fronting on Ramon, which is commercial, nor to Date Palm frontage, which is a combination of commercial, multi-family and vacant lots. Furthermore, there is an area east of Cathedral Canyon, from Ramon to Dinah Shore that is proposed to remain as multi-family due to existing multi-family developments or projects that have achieved recent entitlements. The triangular properties adjacent to Dinah Shore are also proposed to remain as multi-family.

If the General Plan Amendment and Change of Zone is adopted, then only single family residential units could be developed within this area, which may pose a concern to those that have existing multi-family units on their property. Existing multi-family development would become "legal non-conforming use". A legal non-conforming use means that the use was permitted at the time of construction, however, since then the provisions have changed and the use is no longer permitted. The "non-conforming" status on existing development could preclude property owners from obtaining financing on their property, as technically this would mean that if 50% or greater of the structure was destroyed that only one unit could replace the previous multiple units.

As a result, staff is recommending a Zoning Ordinance Amendment that would add a new provision that identifies that all existing multi-family uses (2 units or more on a lot) in the R1 zone in the area bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, shall be deemed conforming.

This provision would allow property owners with existing multi-family units within this subject area to be reconstructed should the structure be destroyed by 50% or greater, and thereby, not detract from property values.

ENVIRONMENTAL REVIEW

The proposed amendments have been reviewed in accordance with the California Environmental Quality Act, and it has been determined that the proposed amendments minimize impacts on the environment, thereby, a Negative Declaration is recommended.

NOTIFICATION

When greater than 1,000 properties are involved, then an ad within the local newspaper is permitted rather than notices to individual property owners. Attached is a copy of the public hearing notice.

FISCAL IMPACT:

The change from of multi-family designation to a single-family designation will reduce the ultimate number of units and population within the subject area than was previously anticipated. Thereby, the change in use will assist in reducing the costs and resources necessary to provide services within the subject area.

ALTERNATIVE:

Deny the requested Amendments, which will allow multi-family development to continue to be developed in the area, which will continue to tax City resources, particularly with relation to Police and Fire services.

ATTACHMENTS

- 1) Resolution - General Plan Amendment 01-75
- 2) Ordinance - Change of Zone 01-101
- 3) Ordinance - Zoning Ordinance Amendment 01-209
- 4) Public Hearing Notice

RESOLUTION NO. 2001- 70

GENERAL PLAN AMENDMENT 01-75

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY, CALIFORNIA, ADOPTING A NEGATIVE DECLARATION AND APPROVING AN AMENDMENT TO THE CITY'S LAND USE MAP OF THE GENERAL PLAN FOR APPROXIMATELY 423 ACRES OF LAND, FOR AN AREA GENERALLY BOUNDED BY RAMON ROAD AND DINAH SHORE, AND BETWEEN DATE PALM DRIVE AND THE WHITEWATER RIVER, AS FURTHER SHOWN IN EXHIBIT "A", FROM M/B (MEDIUM DENSITY RESIDENTIAL - 4.5 TO 10 DWELLING UNITS, WITH BONUS DENSITY PROGRAM) TO L (LOW DENSITY RESIDENTIAL - 2 TO 4.5 DWELLING UNITS PER ACRE)

WHEREAS, an application to the City of Cathedral City, California, for approval of General Plan Amendment 01-75 under the provisions of the Cathedral City Municipal Code and Zoning Ordinance was initiated by the City of Cathedral City; and

WHEREAS, said application has been submitted to the City's Planning Commission for recommendation after a properly noticed public hearing was held on October 3, 2001; and

WHEREAS, said application has been submitted to the City's City Council for recommendation after a properly noticed public hearing was held on October 10, 2001; and

WHEREAS, the request is to change the Land Use Map for the General Plan for approximately 423 acres, for an area generally bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, as further shown in Exhibit "A", from M/B (Medium Density Residential - 4.5 to 10 dwelling units per acre, with Bonus Density Program) to L (Low Density Residential - 2 to 4.5 dwelling units per acre); and

WHEREAS, the City of Cathedral City acting as Lead Agency has determined that the requested General Plan Amendment 01-75 will not have a significant impact on the environment, a Negative Declaration is recommended to the City Council for adoption; and

Section 1. The Planning Commission considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the Planning Commission by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 2. The City Council considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the City Council by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 3. Based on the foregoing evidence the City Council finds that:

- a) The proposed general plan amendment is in conformity with the General Plan.

The subject land area consists of single-family, multi-family and vacant lots that have been previously subdivided. The General Plan identifies:

7. Objective: Provide a safe, attractive and balanced residential environment;
 - 7.2.3 Program: Review and possible revision of single- and multiple-family dwelling site development standards if and when new safety or quality-of-life issues arise.
8. Objective: To the maximum feasible degree, housing and residential development shall, by design, encourage safe living.
9. Objective: Preserve or enhance existing neighborhoods. Encourage the development of vacant parcels in existing neighborhoods when the use will not be detrimental to the quality of the neighborhoods.

The General Plan Amendment, in combination with Change of Zone 01-101 will encourage single-family development, within the existing mix of single-family and multi-family development, and thereby reduce the potential for the area to become over-crowded.

- b) The proposed general plan amendment is necessary and proper at this time, and is not likely to be detrimental to the adjacent property or residents.

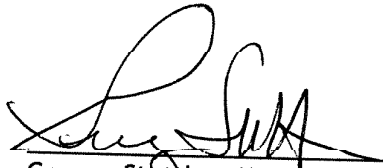
The subject area has experienced the greatest number of calls for service for Police and Fire resources. The City Council has previously identified that it desires to promote safe, attractive and balanced housing within the area by providing a balanced mix of single-family and multi-family uses within the subject area without further increasing the density and population, and thereby minimize the impact on City services necessary to facilitate the subject area, particularly with regards to Fire and Police services. The General Plan Amendment will promote a balanced community and quality of life.

NOW, THEREFORE, LET IT BE RESOVLED, that the City Council of the City of Cathedral City does adopt a Negative Declaration and approves General Plan Amendment 00-75, amending the City's Land Use Map of the General Plan for approximately 423 acres of land, for an area generally bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, as further shown in Exhibit "A", from (M/B (Medium Density Residential - 4.5 to 10 dwelling units, with Bonus Density Program) to L (Low Density Residential - 2 to 4.5 dwelling units per acre).

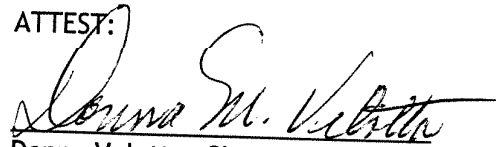
The Clerk to the City Council shall certify as to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

The foregoing Resolution was approved and adopted at a meeting of the City Council held on the 10th day in the month of OCTOBER, 2001 by the following vote:

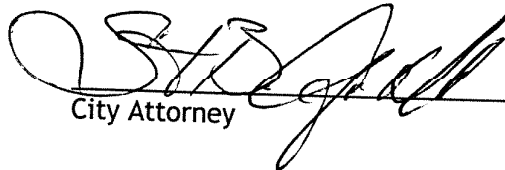
Ayes: Councilmembers De Rosa & England, Mayor Pro Tem Pettis
Noes: none
Abstain: Councilmember Di Ibandi and Mayor Stettler
Absent: none


George Stettler, Mayor

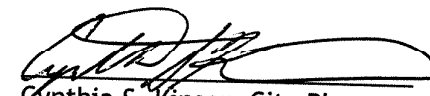
ATTEST:


Donna Velotta, City Clerk

APPROVED AS TO FORM:


City Attorney

APPROVED AS TO CONTENT:


Cynthia S. Kinser, City Planner

REVIEWED:

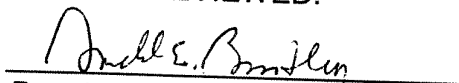

Donald E. Bradley, City Manager



Exhibit "A"

ORDINANCE NO.

ZONING ORDINANCE AMENDMENT 01-209

A ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY, CALIFORNIA, APPROVING A ZONING ORDINANCE AMENDMENT TO CHAPTER 19.05.03 "NON-CONFORMING USES" AND 19.05.05 "NON-CONFORMING STRUCTURES", REGARDING EXEMPTING EXISTING MULTI-FAMILY UNITS ON R1 (SINGLE-FAMILY RESIDENTIAL) ZONED PROPERTIES IN THE AREA BOUNDED BY RAMON ROAD AND DINAH SHORE, AND BETWEEN DATE PALM DRIVE AND THE WHITEWATER RIVER.

WHEREAS, an application to the City of Cathedral City, California, for approval of Zoning Ordinance Amendment 01-209 under the provisions of the Cathedral City Municipal Code and Zoning Ordinance was initiated by the City of Cathedral City; and

WHEREAS, said application has been submitted to the City's Planning Commission for recommendation after a properly noticed public hearing was held on October 3, 2001; and

WHEREAS, said application has been submitted to the City's City Council for recommendation after a properly noticed public hearing was held on October 10, 2001; and

WHEREAS, the request is to exempt multi-family units on R-1 zoned properties in the area bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River; and

WHEREAS, the City of Cathedral City acting as Lead Agency has determined that the requested Zoning Ordinance Amendment 01-209 is exempt from the California Environmental Quality Act; and

Section 1. The Planning Commission considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the Planning Commission by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 2. The City Council considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the City Council by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 3. Based on the foregoing evidence the City Council finds that:

- a) The proposed zoning ordinance amendment is in conformity with the General Plan.

The proposed Zoning Ordinance Amendment will provide assurance for property owners with existing multi-family units in the area bounded by Ramon Road and Dinah

R

Shore, and between Date Palm Drive and Whitewater River that the existing use and structure can be maintained and replaced over time.

b) The proposed zoning ordinance amendment is necessary and proper at this time, and is not likely to be detrimental to the adjacent property or residents.

The Zoning Ordinance Amendment text will not be detrimental to the public health, safety, and welfare of the community.

NOW, THEREFORE, LET IT BE RESOVLED, that the City Council of the City of Cathedral City does find the application exempt from the California Environmental Quality Act and approved Zoning Ordinance Amendment 01-209, which adds Sections 19.05.03.06 and 19.05.05.07 as follows:

Section 4. **ADDITION TO SECTION 19.05.03.06**

Section 19.05.03 "Non-Conforming Uses" of the Zoning Ordinance is hereby amended as follows:

"19.05.03.06 Existing multi-family uses (2 units or more on a lot) in the R1 zone in the area bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, shall be deemed conforming."

Section 5. **ADDITION TO SECTION 19.05.05.07**

Section 19.05.05 "Non-Conforming Structures" of the Zoning Ordinance is hereby amended as follows:

"19.05.05.07 Existing multi-family structures (2 units or more on a lot) in the R1 zone in the area bounded by Ramon Road and Dinah Shore, and between Date Palm Drive and the Whitewater River, shall be deemed conforming."

Section 6. Severability

If any section, subsection or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining section, subsection and clauses shall not be affected thereby.

Section 7. Repeal of Conflicting Provisions

All the provisions of the Cathedral City Municipal Code and Zoning Ordinance as heretofore adopted by the City of Cathedral City that are in conflict with the provisions of this ordinance are hereby repealed.

Section 8. Effective Date

This ordinance shall take effect thirty (30) days after its second reading by the City Council.

Section 9. Posting

The City Clerk shall within 15 days after passage of this Ordinance, cause it to be posted in at least the three (3) public places designated by resolution of the City Council; shall certify to the adoption and posting of this Ordinance; and, shall cause this Ordinance and its certification, together with proof of posting, to be entered in the Book of Ordinances of this City.

The foregoing Ordinance was approved and adopted at a meeting of the City Council held on the ____ day in the month of _____, 2001 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

George Stettler, Mayor

ATTEST:

Donna Velotta, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

City Attorney

Cynthia S. Kinser, City Planner



NOTICE OF PUBLIC HEARING

PROPOSAL: An amendment to the City's General Plan Land Use Element and Zoning Map to change properties shown in the exhibit from M/B (Medium Density Residential with Bonus Density Program, 4.5 to 10 dus/acre) to L (Low Density Residential 2 to 4.5 dus/acre), and from R2-B (Multifamily Residential – Density Bonus) to R1 (Single-family Residential), respectively; and a Zoning Ordinance text amendment regarding multi-family legal non-conforming uses.

APPLICANT: City of Cathedral City

ENVIRONMENTAL DETERMINATION: Negative Declaration

Any person interested in any listed proposal can contact the Planning Department, at 68-700 Avenida Lalo Guerrero, Cathedral City, California, during normal business hours (7:00 a.m. to 6:00 p.m., Monday through Thursday) or may telephone (760) 770-0370 for further information.

In the case of Public Hearing items, any person may also appear and be heard in support of or opposition to the project or recommendation of adoption of the Environmental Determination at the time of the Hearing. The City Council, at the Hearing or during deliberations, could approve changes or alternatives to the proposal or the environmental determination.

If you challenge any of these items in court, you may be limited to raising only those items you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the Public Hearing.

NOTE TO THE PUBLIC:

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITY ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT GLORIA CASEY, PLANNING SECRETARY, AT (760) 770-0370. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ACCOMMODATIONS TO ENSURE ACCESSIBILITY TO THIS MEETING. {28 CFR 35.104 ADA TITLE II}

**City Council Hearing
Wednesday, October 10, 2001 at 7:30 P.M.
City Council Chambers
68-700 Avenida Lalo Guerrero
Cathedral City, CA 92234**



Exhibit "A"

1ST READING: 10/10/01
2ND READING: _____



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Fax 818.704.4729

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Attorneys at Law
www.gdqlaw.com

35-325 Date Palm Drive
Suite 202
Cathedral City, CA 92234
760.770.0873
Fax 760.770.1724

Direct E-mail Address:
squintanilla@gdqlaw.com

Reply to:
Cathedral City Office

**CITY COUNCIL
REGULAR MEETING**

**LEGISLATIVE CALENDAR
AGENDA REPORT**

October 10, 2001

**TO: HON. MAYOR GEORGE STETTLER
MEMBERS OF THE CITY COUNCIL**
FROM: STEVEN B. QUINTANILLA, CITY ATTORNEY
**RE: ORDINANCE AMENDING CATHEDRAL CITY MUNICIPAL CODE AND
ZONING ORDINANCE TO MODIFY THE DEFINITION OF "DIRECTOR",
"COMMUNITY DEVELOPMENT DIRECTOR" AND THE "DIRECTOR OF
COMMUNITY DEVELOPMENT" TO MEAN "CITY PLANNER"**

A. RECOMMENDATION

Introduce and waive reading of the full text of the proposed ordinance which amends the City's Municipal Code, including the Zoning Ordinance, to change all references to "Director", "Community Development Director" and/or "Director of Community Development" to "City Planner".

B. REQUIRED NUMBER OF VOTES

The California Government Code requires three (3) affirmative votes to introduce an ordinance and a majority vote to approve waiving the reading of the full text of the ordinance.

C. GENERAL BACKGROUND

In 2000, the City structure was reorganized to eliminate the Community Development Department and to establish the Planning Department, which had formerly been a division of the Community Development Department. The reorganization of the City's departments and divisions has transferred the duties of the Community Development Director with respect to the Planning function to the City Planner while other duties of the Community Development Director position were assumed by other employees. However, the Municipal Code currently provides that the Community Development Director is responsible for the issuance of permits for outdoor advertising and street vendors and is the official responsible for the enforcement of the City's Zoning Ordinance.

On October 3, 2001, the Cathedral City Planning Commission adopted a resolution recommending to the City Council approval of a Municipal Code amendment, inclusive of the Zoning Ordinance, modifying the definition of "Director", "Community Development Director" and/or "Director of Community Development" to mean "City Planner".

D. ANALYSIS

The proposed ordinance would amend the Municipal Code to provide that all references to the "Director", "Community Development Director" and/or the "Director of Community Development" throughout the Cathedral City Municipal Code including but not limited to the Zoning Ordinance shall mean "City Planner". As a result of the amendment, the City Planner would become the official responsible for the issuance of permits for outdoor advertising and street vendors and the administration and enforcement of the City's Zoning Ordinance.

E. FISCAL ANALYSIS

No fiscal impact is anticipated.

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ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY, CALIFORNIA, AMENDING THE ENTIRE CATHEDRAL CITY MUNICIPAL CODE INCLUDING BUT NOT LIMITED TO TITLE 19 TO MODIFY THE DEFINITION OF "DIRECTOR", "COMMUNITY DEVELOPMENT DIRECTOR" AND THE "DIRECTOR OF COMMUNITY DEVELOPMENT" TO MEAN "CITY PLANNER"

WHEREAS, recent reorganization of various City departments and divisions resulted in the elimination of the office and position of the Community Development Director; and

WHEREAS, the reorganization of the City's departments and divisions has transferred the duties of the Community Development Director with respect to the Planning function, to the City Planner; and

WHEREAS, the City Council desires to clarify that all references to the "Director", "Community Development Director" and/or the "Director of Community Development" throughout the Cathedral City Municipal Code including but not limited to Title 19 shall mean "City Planner".

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. AMENDMENT OF ENTIRE MUNICIPAL CODE

All references to the "Director", "Community Development Director" and/or "Director of Community Development" throughout the Cathedral City Municipal Code including but not limited to Title 19 shall mean "City Planner" and all such references to "Director", "Community Development Director" and/or "Director of Community Development" throughout the Cathedral City Municipal Code including but not limited to Title 19 shall be modified to read as "City Planner".

Section 2. SEVERABILITY

The City Council declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

Section 3. REPEAL OF CONFLICTING PROVISIONS

All the provisions of the Cathedral City Municipal Code as heretofore adopted by the City of Cathedral City that are in conflict with the provisions of this ordinance are hereby repealed.

26,

Section 4. **EFFECTIVE DATE**

This ordinance shall take effect on the thirty-first day after its adoption at a second reading by the City Council.

Section 5. **PUBLICATION**

The City Clerk shall within 15 days after passage of this Ordinance, cause it to be posted in at least the three (3) public places designated by resolution of the City Council; shall certify to the adoption and posting of this Ordinance; and shall cause this Ordinance and its certification, together with proof of posting, to be entered in the Book of Ordinances of this City.

[THIS SECTION INTENTIONALLY LEFT BLANK]



AGENDA REPORT
for consideration by the
CATHEDRAL CITY CITY COUNCIL

SUBJECT: An amendment to Ordinance No. 471 regarding the development review process within the Rio Vista Village Specific Plan.

DEPARTMENT: Planning

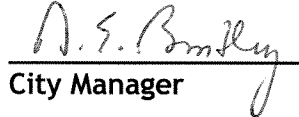
MEETING DATE: October 24, 2001

CONTACT PERSON: Cynthia S. Kinser

DEADLINE FOR ACTION: N/A

APPROVED:


Department


City Manager


Finance

RECOMMENDATION:

That the City Council adopt the draft Ordinance, thereby approving an amendment to Ordinance No. 471 regarding the development review process within the Rio Vista Village Specific Plan.

Executive Summary:

In January 1998, the City Council adopted Ordinance No. 471 approving the Rio Vista Village Specific Plan. The Specific Plan requires Architectural Controls and Design Review through the establishment of "Community Character Criteria" and a Design Review Board to enforce the "Criteria". However, Ordinance No. 471, adopting Rio Vista Village, requires development within the Specific Plan to abide by the City's Zoning Ordinance provisions for design review. The master developer for the Specific Plan, Rio Vista Land Company, is requesting Ordinance No. 471 to be modified to reflect the architectural and design review provisions within the Specific Plan text.

BACKGROUND:

The Rio Village Specific Plan provides the following language regarding design review:

6.5 ARCHITECTURAL CONTROLS AND DESIGN REVIEW

A design guideline document entitled "Community Character Criteria" will be submitted for review and approval under separate cover after both Specific Plan and Master Tentative Tract Map approvals have been secured. It is the intent of the master developer, Burnett Development Corporation to enforce the design standards and guidelines contained therein.

6.5.1 DESIGN REVIEW BOARD:

Burnett Development Corporation will establish a Design Review Board to administer the Community Character Criteria and deal with such issues as may come before the Board. The Board will consist of a least three voting members, one of who must be licensed architect in the state of California, one of whom must be a representative of the master developer and one of whom is to be appointed by the Master HOA. At such time as the master developer no longer has a majority ownership interest in the residentially zoned property, two additional HOA members may be appointed. The number of voting

members must be odd and until such time as the master developer's interests are completely sold out, at least one member must represent his interests. The licensed architect may come from the HOA or be appointed at large.

The Rio Vista Village Community Character Guidelines were approved by the Planning Commission in April 2001 after extensive review by both the Architectural Review Committee and Planning Commission. The Guidelines illustrate recommended architectural styles and the characteristics that quantify the style, along with provisions to provide enhanced exterior elevations, recommended building materials, and optimum use of the residential lot.

In addition, the adopted Specific Plan text provides the following language regarding implementation of the Specific Plan:

6.9 ADMINISTRATION AND AMENDMENT OF THE SPECIFIC PLAN

The Director of Community Development shall determine if any proposals submitted for development review require Planning Commission review and approval, including public hearings pursuant to City zoning procedures and policies. The underlying principles of the specific plan, however, endorse flexibility, adaptability and options as opposed to fixed and predetermined solutions. As the Director reviews proposed development proposals, including alternative development approaches, findings shall be made in light of these underlying principles as well as the specific letter of the regulations.

6.9.1 *When a development proposal is determined to be consistent with the purpose and intent of this specific plan, approval may be granted including minor and incidental changes to the development standards within the specific plan.*

6.9.2 APPEALS

Appeals of the decisions of the Director of Community Development or the Planning Commission shall be administered per the policies and ordinances of the City Zoning Ordinance and according to prevailing law.

Based on the aforementioned language within the Specific Plan text, when the Rio Vista Land Company submitted the Rio Vista Village Community Character Guidelines ("Guidelines") for review, they provided within the draft document a clear description of a review process utilizing the required Review Board and the authority given the Community Development Director (City Planner) through the adoption of the Specific Plan.

Specifically, the Rio Vista Land Company requested that development proposals be reviewed by the established Rio Vista Village Architectural Review Committee ("RVVARC") for determination of the proposals compliance with the Guidelines, with that body making a recommendation to the City Planner. The City Planner would either affirm the RVVARC's findings, thereby approving the project. Or, would reject the RVVARC's recommendation, and thereby, require the project to be reviewed by the City's Planning Commission.

During the Planning Commission's evaluation of this process, the Planning Commission asked

whether the Commission had the authority to "give away" its review authority. Based on further review, it was determined that despite the flexibility built into the Specific Plan text, the ordinance adopting the Specific Plan states, in part, as follows:

"Development approval for projects within the Specific Plan area must apply through the normal development review processes required by the City's Zoning Ordinance and Subdivision Regulations".

Based upon this language, the alternative design review process was eliminated from the Guidelines adopted by the Planning Commission in April 2001. Subsequently, the Rio Vista Land Company requested an amendment to Ordinance No. 471, to provide a statement that is more reflective of the Specific Plan text.

ANALYSIS:

In order to expedite the review of model home complexes within the Rio Vista Village Specific Plan and due to the extensive detail provided within the Rio Vista Village Community Character Guidelines, Rio Vista Land Company is requesting that Ordinance 471 be amended to allow for a process whereby the RVVARC reviews proposals for compliance with the Guidelines and makes a recommendation to the City Planner. The City Planner either concurs with the RVVARC, thereby approving the project, or rejects the RVVARC's determination. If the City Planner rejects the RVVARC's recommendation, then the developer either modifies the project as determined by the City Planner, or appeals the decision to the City's Planning Commission.

Based on the detailed review of the Guidelines by the City's Architectural Review Committee and Planning Commission, the Planning Commission recommended the City Council approve of the proposed amendment with a 4-1 vote. Therefore, Ordinance 471 is recommended to be modified as follows:

"The Specific Plan on file with the City Clerk entitled "Specific Plan No. 97-55" dated December 5, 1997, including final approved conditions and exhibits is hereby adopted as the Specific Plan of land use and development regulation for the real property shown within the Specific Plan and more particularly described as a 303 acre portion of the north ½ of Section 5, Township 4, South, Range 5 East, Riverside County (Assessor's Parcel Numbers 677050001, 002 and 003). Said property shall be developed substantially in accordance with the policies and procedures of the Specific Plan unless the Specific Plan is repealed or amended by the City Council of the City of Cathedral City. Development approval for projects within the Specific Plan area must apply through the normal development review processes required by the City's Zoning Ordinance and Subdivision Regulations-, provided, however, that projects within the Specific Plan area that are within the scope of the Rio Vista Village Community Character Guidelines shall not be required to apply for or receive design review approval pursuant to Chapter 19.11 of the City Zoning Ordinance, it being the intent of the City that the adoption of the Rio Vista Village Community Character Guidelines ("RVVCCG") adopted by the City Planning Commission on April 18, 2001, fully satisfies the goals and objectives of the design review procedures set forth in Chapter 19.11 of

the Zoning Ordinance and provides comprehensive design standards and guidelines in-lieu of the normal City design review ordinance. Within (15) days following the date of receipt of notification of the review and approval of architectural or landscaping plans for a development application by the Rio Vista Village Architectural Review Committee ("RVVARC") as contemplated by Section 6.5 of the Specific Plan and as further provided in Section 6 of the RVVCCG, the City Planner shall review the architectural or landscaping plans and the action of the RVVARC to determine if the architectural or landscaping plans conform to and meet the spirit and intent of the RVVCCG. If the City Planner finds that the architectural or landscaping plans conform to and meet the spirit and intent of the RVVCCG, the City Planner shall approve such plans and no further action with respect thereto shall be required or taken by the City. If, however, the City Planner finds that the architectural or landscaping plans do not conform to or meet the spirit and intent of the RVVCCG, then the City Planner shall disapprove such plans and shall set forth the reasons for disapproval in writing. Upon the disapproval of the architectural or landscaping plans, the applicant thereof may either (A) make such corrections to the plans as are required by the City Planner as indicated in the notice of disapproval to insure that such plans conform to and meet the spirit and intent of the RVVCCG, and prior to resubmittal to the City, submit to and receive the concurrence of the RVVARC, or (B) within ten (10) days following the disapproval by the City Planner, file an appeal to the Planning Commission which shall schedule the mater for hearing within thirty (30) days thereafter."

ENVIRONMENTAL REVIEW

The proposed amendment is not a "project" and is thereby exempt from the California Environmental Quality Act.

FISCAL IMPACT:

None.

ALTERNATIVE:

Deny the request and require development within the Rio Vista Village Specific Plan to abide by the development review procedures of the City's Municipal and Zoning Codes.

ATTACHMENTS

- 1) Ordinance - Ordinance No. 471 (Amendment)
- 2) Public Hearing Notice

ORDINANCE NO. 01-

AMENDMENT TO ORDINANCE NO. 471

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY, CALIFORNIA, AMENDING ORDINANCE NO. 471 ADOPTING SPECIFIC PLAN 97-55 FOR THE RIO VISTA VILLAGE SPECIFIC PLAN

WHEREAS, an application to the City of Cathedral City, California, for approval of an amendment to Ordinance No. 471 adopting Specific Plan 97-55 under the provisions of the Cathedral City Municipal Code and Zoning Ordinance was initiated by the City of Cathedral City; and

WHEREAS, said application has been submitted to the City's Planning Commission for recommendation after a properly noticed public hearing was held on October 3, 2001; and

WHEREAS, said application has been submitted to the City's City Council for recommendation after a properly noticed public hearing was held on October 24, 2001; and

WHEREAS, Specific Plan No. 97-55 (the "Specific Plan") for Rio Vista Village was adopted by the City Council of the City of Cathedral City (the "City") on January 14, 1998, by Ordinance No. 471; and

WHEREAS, the Specific Plan includes the Rio Vista Village Community Character Guidelines ("RVVCCG") which provides for the development of Community Character Criteria by the developer for the purpose of establishing design themes and guidelines; and

WHEREAS, the Specific Plan contemplates that the comprehensive design standards and guidelines set forth in the RVVCCG fully satisfy the goals and objectives of the design review procedures set forth in Chapter 19.11 of the Zoning Code, and thus the standards and guidelines set forth in the RVVCCG are intended to be in-lieu of the design review procedures set in that Chapter; and

WHEREAS, the Specific Plan provides that the Director of Community Development shall determine if any proposals submitted for development review require Planning Commission review and approval pursuant to the City's zoning procedures and policies; and

WHEREAS, Ordinance No. 471 provides that the development approval for projects within the Specific Plan must comply with the normal development review processes required by the City's Zoning Ordinance and subdivision regulations which inconsistent with the intent of the Specific Plan; and

WHEREAS, the City Council desires to amend Ordinance 471 to eliminate any inconsistencies with the intent of the Specific Plan; and

WHEREAS, the City of Cathedral City acting as Lead Agency has determined that the requested amendment to Ordinance No. 471, is not a "project", and is thereby exempt from the California Environmental Quality Act; and

Section 1. The Planning Commission considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the Planning Commission by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting

supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 2. The City Council considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the City Council by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

NOW, THEREFORE, LET IT BE RESOVLED that the City Council of the City of Cathedral City does find the application exempt from the California Environmental Quality Act and approves an amendment to Ordinance No. 471, which amends Section 4 as follows:

Section 3. **AMENDMENT TO ORDINANCE NO. 471**

That Section 4 of Ordinance No. 471 shall be amended to read as follows:

"The Specific Plan on file with the City Clerk entitled "Specific Plan No. 97-55" dated December 5, 1997, including final approved conditions and exhibits is hereby adopted as the Specific Plan of land use and development regulation for the real property shown within the Specific Plan and more particularly described as a 303 acre portion of the north ½ of Section 5, Township 4, South, Range 5 East, Riverside County (Assessor's Parcel Numbers 677050001, 002 and 003). Said property shall be developed substantially in accordance with the policies and procedures of the Specific Plan unless the Specific Plan is repealed or amended by the City Council of the City of Cathedral City. Development approval for projects within the Specific Plan area must apply through the normal development review processes required by the City's Zoning Ordinance and Subdivision Regulations, provided, however, that projects within the Specific Plan area that are within the scope of the Rio Vista Village Community Character Guidelines shall not be required to apply for or receive design review approval pursuant to Chapter 19.11 of the City Zoning Ordinance, it being the intent of the City that the adoption of the Rio Vista Village Community Character Guidelines ("RVVCCG") adopted by the City Planning Commission on April 18, 2001, fully satisfies the goals and objectives of the design review procedures set forth in Chapter 19.11 of the Zoning Ordinance and provides comprehensive design standards and guidelines in-lieu of the normal City design review ordinance. Within (15) days following the date of receipt of notification of the review and approval of architectural or landscaping plans for a development application by the Rio Vista Village Architectural Review Committee ("RVVARC") as contemplated by Section 6.5 of the Specific Plan and as further provided in Section 6 of the RVVCCG, the City Planner shall review the architectural or landscaping plans and the action of the RVVARC to determine if the

architectural or landscaping plans conform to and meet the spirit and intent of the RVVCCG. If the City Planner finds that the architectural or landscaping plans conform to and meet the spirit and intent of the RVVCCG, the City Planner shall approve such plans and no further action with respect thereto shall be required or taken by the City. If, however, the City Planner finds that the architectural or landscaping plans do not conform to or meet the spirit and intent of the RVVCCG, then the City Planner shall disapprove such plans and shall set forth the reasons for disapproval in writing. Upon the disapproval of the architectural or landscaping plans, the applicant thereof may either (A) make such corrections to the plans as are required by the City Planner as indicated in the notice of disapproval to insure that such plans conform to and meet the spirit and intent of the RVVCCG, and prior to resubmittal to the City, submit to and receive the concurrence of the RVVARC, or (B) within ten (10) days following the disapproval by the City Planner, file an appeal to the Planning Commission which shall schedule the mater for hearing within thirty (30) days thereafter."

Section 4. **AMENDMENT TO TEXT OF SPECIFIC PLAN**

That all references to "Community Development Director" or "Director of Community Development" shall be changed to "City Planner or his or her designee".

Section 5. Severability

If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining section, subsection, and clauses shall not be affected thereby.

Section 6. Repeal of Conflicting Provisions

All the provisions of the Cathedral City Municipal Code and Zoning Ordinance as heretofore adopted by the City of Cathedral City that are in conflict with the provisions of this ordinance are hereby repealed.

Section 7. Effective Date

This ordinance shall take effect thirty (30) days after its second reading by the City Council.

Section 8. Posting

The City Clerk shall within 15 days after passage of this Ordinance, cause it to be posted in at least the three (3) public places designated by resolution of the City Council; shall certify to the adoption and posting of this Ordinance; and, shall cause this Ordinance and its certification, together with proof of posting, to be entered in the Book of Ordinances of this City.

City Council Ordinance
Ordinance No. 471 (Amendment)
Page 4

The foregoing Ordinance was approved and adopted at a meeting of the City Council held on the ____ day in the month of _____, 2001 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

George Stettler, Mayor

ATTEST:

Donna Velotta, City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO CONTENT:



Cynthia S. Kinser, City Planner



Notice of Public Hearing

This may affect your property. Please read.
Notice is hereby given that a Public Hearing will be held by the City Council
of the City of Cathedral City on the following item(s):

CASE: Ordinance No. 471 (Amendment)

**APPLICANT/
OWNER:** Rio Vista Land Co.

REPRESENTATIVE: Jason Lee

LOCATION: North of Verona Road, west of the extension
of Landau Boulevard

PROPOSAL: A request to amend Ordinance No. 471
regarding the application review procedures
for the Rio Vista Village Specific Plan.

Any person interested in any listed proposal can contact the Planning Department, at 68-700 Avenida Lalo Guerrero, Cathedral City, California, during normal business hours (7:00 a.m. to 6:00 p.m., Monday through Thursday) or may telephone (760) 770-0374 for further information. The environmental findings, project application, and other supporting documents will be available for public inspection at the above address.

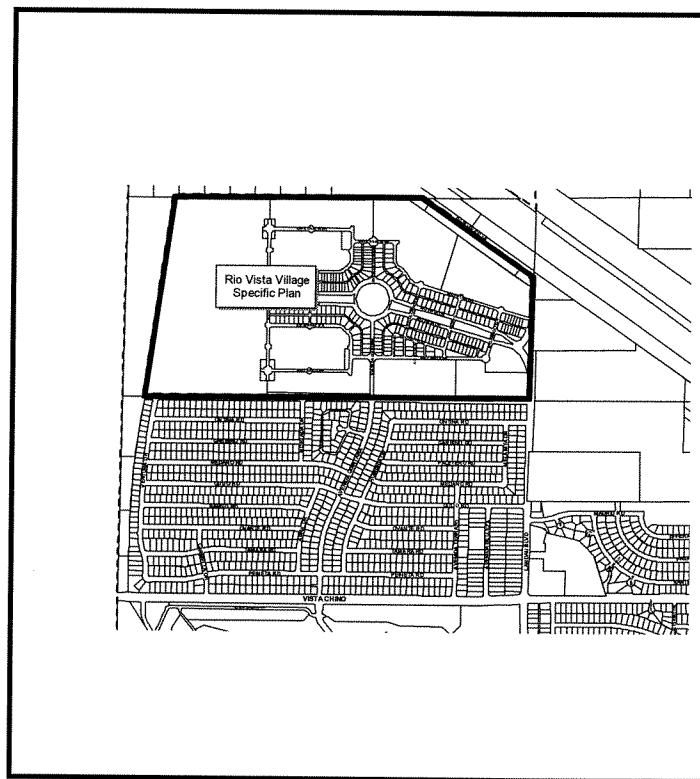
In the case of Public Hearing items, any person may also appear and be heard in support of or opposition to the project or recommendation of adoption of the Environmental Determination at the time of the Hearing.

The City Council, at the Hearing or during deliberations, could approve changes or alternatives to the proposal or the environmental determination.

If you challenge any of these items in court, you may be limited to raising only those items you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the Public Hearing.

NOTE TO THE PUBLIC:

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITY ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT GLORIA CASEY, PLANNING SECRETARY, AT (760) 770-0374. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ACCOMMODATIONS TO ENSURE ACCESSIBILITY TO THIS MEETING. {28 CFR 35.104 ADA TITLE II}



LOCATION **N** **CITY COUNCIL HEARING**

City Council Chambers, City Hall
68-700 Avenida Lalo Guerrero
Cathedral City, CA 92234

DATE/TIME: October 24, 2001 at 7:30 PM

CONTACT PLANNER: Cynthia Kinser

PHONE: (760) 770-0370

**CITY OF CATHEDRAL CITY
AGENDA REPORT**

SUBJECT: Adoption of a Preliminary Plan for the Amendment of Project Area No. 1 and receiving draft Redevelopment Amendments.

DEPARTMENT: Redevelopment

MEETING DATE: October 24, 2001
N/A

DEADLINE FOR ACTION:

CONTACT PERSON: Susan Moeller, Redevelopment Director

APPROVED:


Department


City Manager


Finance

RECOMMENDATION:

That the City Council adopt resolutions to Amend the Preliminary Plans for Project Nos. 1 and 3 to delete certain property from Redevelopment Project No. 3 and add the deleted property to Redevelopment Project No. 1, approving a Preliminary Plan formulated for the Redevelopment of Project Area No. 1, including the Added Area, and calling for the formation of a Project Area Committee to advise the City Council and staff on issues affecting low- and moderate income households within Project Area No. 1 including the Added Area.

BACKGROUND:

The City and its Redevelopment Agency adopted three different redevelopment plans that now cover most of the City of Cathedral City. Project Area No. 1, covering the area proximate to Downtown and East Palm Canyon Drive was adopted on November 29, 1982. Project Area No. 2, covering the Panorama and Ramon Road Corridor between Date Palm Drive and Shifting Sands Trail/Avenida La Paloma was adopted on November 29, 1983. Project Area No. 3, covering the rest of the City north to Interstate 10 and Section 3 east of Date Palm Drive was adopted on November 30, 1984. On December 17, 1997, Project Area Number 1 and Project Area Number 2 were merged to allow for better utilization of the tax increment financing mechanism.

While the Agency has made significant strides in the redevelopment of Project Area No. 1, there are still significant blighting influences remaining. In addition, the Agency is considering a project outside of and adjacent to Project Area No. 1, bounded by D Street on the north, East Cathedral Canyon Channel on the east, Terrace Road on the South and Van Fleet Street/Chuparosa Lane on the west.

Redevelopment projects are only allowed to utilize the power of eminent domain for land assembly purposes in increments of twelve years. If the Redevelopment Agency desires to use eminent domain beyond the twelve-year period, it must

amend the Redevelopment Plan to allow that use. The use of eminent domain in Project Area Number 2 and Project Area Number 3 has already expired; the use of eminent domain in Project Area Number 1 will be expiring in 2002.

The Agency currently will not be able to incur debt in Project Area No. 3 beyond 2004. Redevelopment Law allows the Agency to extend that ability for up to ten years by amending the Redevelopment Plan.

On September 19, 2001, the Planning Commission of the City of Cathedral City approved a restated Preliminary Plan for Project Area No. 1 and selected a Project Area for the Fourth Amendment to the Redevelopment Plan for Project Area No. 1. The action by the Planning Commission is the first required action for the amendment of the Redevelopment Plan for Project Area No. 1 in order to extend and/or reinstate eminent domain authority. It is not required that new Preliminary Plans be adopted for the amendments to Project Areas No 2 and No. 3 as those amendments will not potentially affect low-and moderate-income residents.

ANALYSIS:

A. LAND ASSEMBLY

The State Legislature is concerned about the plight of persons of low- and moderate-income means and how they may be affected by redevelopment activities in general and eminent domain in particular. The State Legislature requires that a Project Area Committee (PAC) be formed during the redevelopment plan adoption (or amendment) process to advise the City Council on the impact of the redevelopment plan on low- and moderate-income persons should the proposed plan (or amendment) include within it the ability to use eminent domain where there may be low- and moderate-income households affected.

Project Area No. 1

The proposed amendments to Project Area No. 1 would include extension of the ability to utilize eminent domain as a land assembly tool for all categories of property within the Project Area. In this Project Area, a PAC will need to be formed that is representative of the make up of the constituencies within the Project Area. At a minimum, the PAC must include representatives from the categories of residential tenant-occupants, residential owner-occupants, business owners (including landlords) and existing community organizations (including religious institutions). The proposed PAC includes representatives from all four of these categories.

The recommended resolutions include adoption of PAC formation procedures, calling for the formation of a PAC and approval of a Preliminary Plan for Project Area No. 1.

Project Areas No.2 and No. 3

The proposed amendments to Project Area No. 2 and Project Area No.3 include the potential use of eminent domain for primarily commercial, industrial and non-occupied residential properties and do not require a PAC.

The recommended resolutions declare that there is no need for the formation of a PAC and call for public meetings to gather input from and inform affected persons about the Agency's anticipated Plan Amendments.

B. TIME LIMIT TO INCUR DEBT

During the process to merge Project Areas No. 1 and No. 2, the time during which the Redevelopment Agency has the opportunity to incur debt was extended from 2004 to January 1, 2014. Project Area No. 3 currently has a November 29, 2004 time limit by which the Agency may incur debt. Recent legislation (SB211), effective January 1, 2002, allows agencies to repeal this time limit. The Agency will have difficulty completing necessary redevelopment activities in Project Area No. 3 if it is unable to incur debt after 2004.

FISCAL IMPACT:

There will be no additional fiscal impact with this action. The Agency has already retained Katz Hollis to assist with document preparation and assisting the Agency with the technical aspects of the adoption process. All other costs were incorporated within the Agency's operating budget.

ATTACHMENTS:

1. Resolution of the Redevelopment Agency Amending the Preliminary Plans for Project Nos. 1 and 3 to Delete Certain Property from Redevelopment Project No. 3 and Add the Deleted Property to Redevelopment Project No. 1, and approving a Preliminary Plan Formulated for the Redevelopment of the Added Area.
2. Resolution of the City Council Calling for the Formation of a Project Area Committee for the Fourth Amendment to the Redevelopment Plan for Redevelopment Project Area No. 1 and Adopting Procedure Therefore.
3. Resolution of the City Council Determining that a Project Area Committee Shall Not be Formed in Connection with the Proposed Amendment to the Redevelopment Plan for Project Area No. 2.
4. Resolution of the City Council Determining that a Project Area Committee Shall Not be Formed in Connection with the Proposed Amendment to the Redevelopment Plan for Project Area No. 3.

RESOLUTION NO. _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY RECEIVING THE PRELIMINARY PLAN FOR THE AREA TO BE ADDED TO REDEVELOPMENT PROJECT AREA NO. 1, ESTABLISHING THE BASE YEAR ASSESSMENT ROLL FOR THE ADDED AREA, AUTHORIZING AND DIRECTING THE FILING OF INFORMATION REQUIRED BY SECTION 33327 OF THE COMMUNITY REDEVELOPMENT LAW, AND AUTHORIZING THE PAYMENT OF A FILING FEE TO THE STATE BOARD OF EQUALIZATION

WHEREAS, the Planning Commission of the City of Cathedral City ("Planning Commission") determined that it is necessary and beneficial to amend the boundaries of Redevelopment Project Area No. 1 and Redevelopment Project Area No. 3 to delete certain properties from Redevelopment Project Area No. 3 and add such area to Redevelopment Project Area No. 1, which boundary amendments would become effective only if and when the City Council of the City of Cathedral City adopts appropriate amendments to the respective Redevelopment Plan for each project which effectuate such boundary deletion and addition; and

WHEREAS, by Resolution No. P01-941 the Planning Commission on September 19, 2001 amended the Preliminary Plan for Redevelopment Project No. 3 by selecting the boundaries of the area to be deleted from Redevelopment Project No. 3, and selected and designated the area deleted from Redevelopment Project No. 3 as the area proposed to be added to Redevelopment Project No. 1, approved the Preliminary Plan for the Area Added to Redevelopment Project No. 1 ("Preliminary Plan"), and directed that the Preliminary Plan be submitted to the Redevelopment Agency of the City of Cathedral City ("Agency").

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Cathedral City as follows:

Section 1. The Preliminary Plan for the Redevelopment of the Area Added to Redevelopment Project Area No. 1, as formulated and approved by the Planning Commission of the City of Cathedral City, and as attached hereto, is hereby received.

Section 2. The 2000-01 assessment roll is the Base Year Assessment Roll the Agency proposes to use for the allocation of taxes from the Added Area pursuant to Section 33670 and 33670.5 of the Community Redevelopment Law ("CRL").

Section 3. The Executive Director of the Agency is hereby authorized and directed to file the information required by Section 33327 of the CRL

regarding the deleted and added areas with the appropriate taxing agency governing the bodies, taxing officials, and the State Board of Equalization.

Section 4. The Executive Director of the Agency is hereby authorized to pay to the State Board of Equalization and the County of Riverside such fees for filing and processing said information as may be required pursuant to the CRL.

PASSED, APPROVED, AND ADOPTED this ____ day of October 2001.

George Stettler, Chair

ATTEST:

Secretary

APPROVED AS TO CONTENT:


Susan Moeller, Redevelopment Director

APPROVED AS TO FORM:

Agency Counsel

REVIEWED:

Don Bradley, Executive Director

Exhibit B

PLANNING COMMISSION
of the
City of Cathedral City

PRELIMINARY PLAN
for the Redevelopment of the Area Added to the
CATHEDRAL CITY REDEVELOPMENT PROJECT NO. 1

Prepared by
Planning Commission of the City of Cathedral City
in cooperation with the
Cathedral City Redevelopment Agency

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**PRELIMINARY PLAN
for the
Redevelopment of the Area Added
to the
Cathedral City Redevelopment Project No. 1**

I. INTRODUCTION

The Redevelopment Plan for Redevelopment Project Area No. 1 ("Redevelopment Project No. 1") was originally approved and adopted by the City Council of the City of Cathedral City ("City Council") on November 29, 1982, by Ordinance No. 39. The Redevelopment Plan for Redevelopment Project No. 1 has been amended three times: on February 6, 1991, by Ordinance No. 311, on December 14, 1994, by Ordinance No. 408, and on January 28, 1998, by Ordinance No. 472. The 1991 amendment increased the tax increment and bond debt limits, extended the time limit to establish debt, extended the time limit to undertake eminent domain proceedings, and substantially revised the Plan's affordable housing provisions. The 1994 amendment added and revised the Plan's financial time limits to bring them into conformity with new California Redevelopment Law (CRL) requirements established in AB 1290 (Chap. 942, 1993 statutes). The 1998 amendment merged Project No. 1 with Project No. 2 for financing purposes, as permitted by the CRL.

The Redevelopment Plan for Redevelopment Project No. 3 ("Redevelopment Project No. 3") was originally approved and adopted by the City Council on November 30, 1984 by Ordinance No. 91. The Redevelopment Plan for this project has been amended only once, December 14, 1994, by Ordinance No. 410. This amendment was adopted for the same purposes as the 1994 amendment to Project No. 1 and Project No. 2.

It is now proposed to amend the Redevelopment Plans for Project Nos. 1 and 3 again to, in part, delete a certain area from Project No. 3 and add the area to Project No. 1. As used in this Preliminary Plan, the area to be added to Project No. 1 (after its deletion from Project No. 3) is called the "Added Area".

This Preliminary Plan has been formulated pursuant to California Community Redevelopment Law (Health and Safety Code Sections 33000 *et seq.*) Section 33324, and:

- a) Describes the boundaries of the Added Area.
- b) Contains general statements of the land uses, layout of principal streets, population densities and building intensities and standards proposed as a basis for the redevelopment of the Added Area.
- c) Shows how the purposes of the California Community Redevelopment Law ("CRL") would be attained by such redevelopment.
- d) Shows that the proposed redevelopment conforms to the General Plan of the City of Cathedral City.
- e) Describes, generally, the impact of the amendment upon the residents located within the Added Area and the surrounding neighborhood, including the existing Project Area.

This Preliminary Plan consists of text and a map.

II. DESCRIPTION OF BOUNDARIES OF ADDED AREA

The boundaries of the Added Area are shown on the Added Area Map attached hereto as Exhibit 1.

III. GENERAL STATEMENT OF LAND USES, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES AND BUILDING INTENSITIES AND STANDARDS

The following general statements regarding land uses, layout of principal streets, population densities and building intensities and standards are proposed as the basis for the redevelopment of the Added Area.

A. Land Uses

It is proposed that, in general, the land uses for the various properties in the Added Area shall be described and defined in the policies, goals and land uses of the Land Use Element of the General Plan of the City of Cathedral City as it they may be amended from time to time. Such uses may include:

- Medium Density Residential
- Open Space

Within any area, alternative uses may be established to the extent and in the manner provided by the City General Plan, local codes and ordinances, and any Specific or Precise Plan adopted which includes any portion of the Added Area.

B. Layout of Principal Streets

It is proposed that, in general, the layout of principal streets for the Added Area be as shown on the Added Area Map (Exhibit 1). Existing streets may, however, be closed, vacated, widened or otherwise modified, and additional streets may be created as necessary for proper pedestrian and/or vehicle circulation in accordance with the Circulation Element of the General Plan and local codes and ordinances.

C. Population Densities

It is proposed that, in general, the population density for any residential uses permitted within the Added Area shall be as described and defined in the General Plan, or as otherwise provided in local codes and ordinances.

D. Building Intensities and Standards

It is proposed that, in general, building intensities be controlled by procedures and criteria established in the General Plan, specific plans and local codes and ordinances. Such criteria and standards include (1) the percentage of ground area covered by buildings (land coverage); (2) the ratio of total floor area for all stories of the buildings to areas of the building sites; (3) the size and location of buildable areas on building sites; and (4) the heights of buildings. Land coverage, sizes and allocations of buildable areas shall be limited as necessary and feasible to provide adequate open space, parking, access and other amenities.

It is proposed that building standards should generally conform to the building requirements of applicable state statutes and local codes and ordinances.

IV. ATTAINMENT OF THE PURPOSES OF THE CALIFORNIA COMMUNITY REDEVELOPMENT LAW

Certain goals and objectives have been identified in connection with the areas proposed to be added by the fourth amendment to the Redevelopment Plan for Project No. 1, the accomplishment of which will attain the purpose of the California Community Redevelopment Law. In general, the goals and objectives of a redevelopment program in the Added Area are as follows:

- Public improvements including improving of Van Fleet Avenue and D Street, providing sewers, flood protection and improved fire protection.
- Provide assistance to low- and moderate-income residents of the Project Area (beyond the Added Area) through grants for weatherization and rehabilitation.
- Encouraging the rehabilitation or replacement of commercial properties.

Redevelopment of the Added Area pursuant to the Redevelopment Plan and this Preliminary Plan and the above goals and objectives will attain the purposes of the California Community Redevelopment Law: (1) by the elimination of areas suffering from economic dislocation and disuse; (2) by the replanning, redesign and/or redevelopment of areas which are stagnant or improperly utilized, and which could not be accomplished by private enterprise acting alone without public participation and assistance; (3) by protecting and promoting sound development and redevelopment of blighted areas and the general welfare of the citizens of the City by remedying such injurious conditions through the employment of appropriate means; and (4) through the installation of new or replacement of existing public improvements, facilities and utilities in areas which are currently inadequately served.

V. CONFORMANCE TO THE GENERAL PLAN OF THE CITY

This Preliminary Plan fully conforms to the General Plan of the City of Cathedral City. In general, this Preliminary Plan is intended to act as a flexible conceptual guide, and to continue to conform to the General Plan as it may be modified and/or implemented by future amendments and specific plans.

VI. GENERAL IMPACT OF THE PROJECT UPON RESIDENTS IN THE ADDED AREA AND UPON SURROUNDING NEIGHBORHOOD

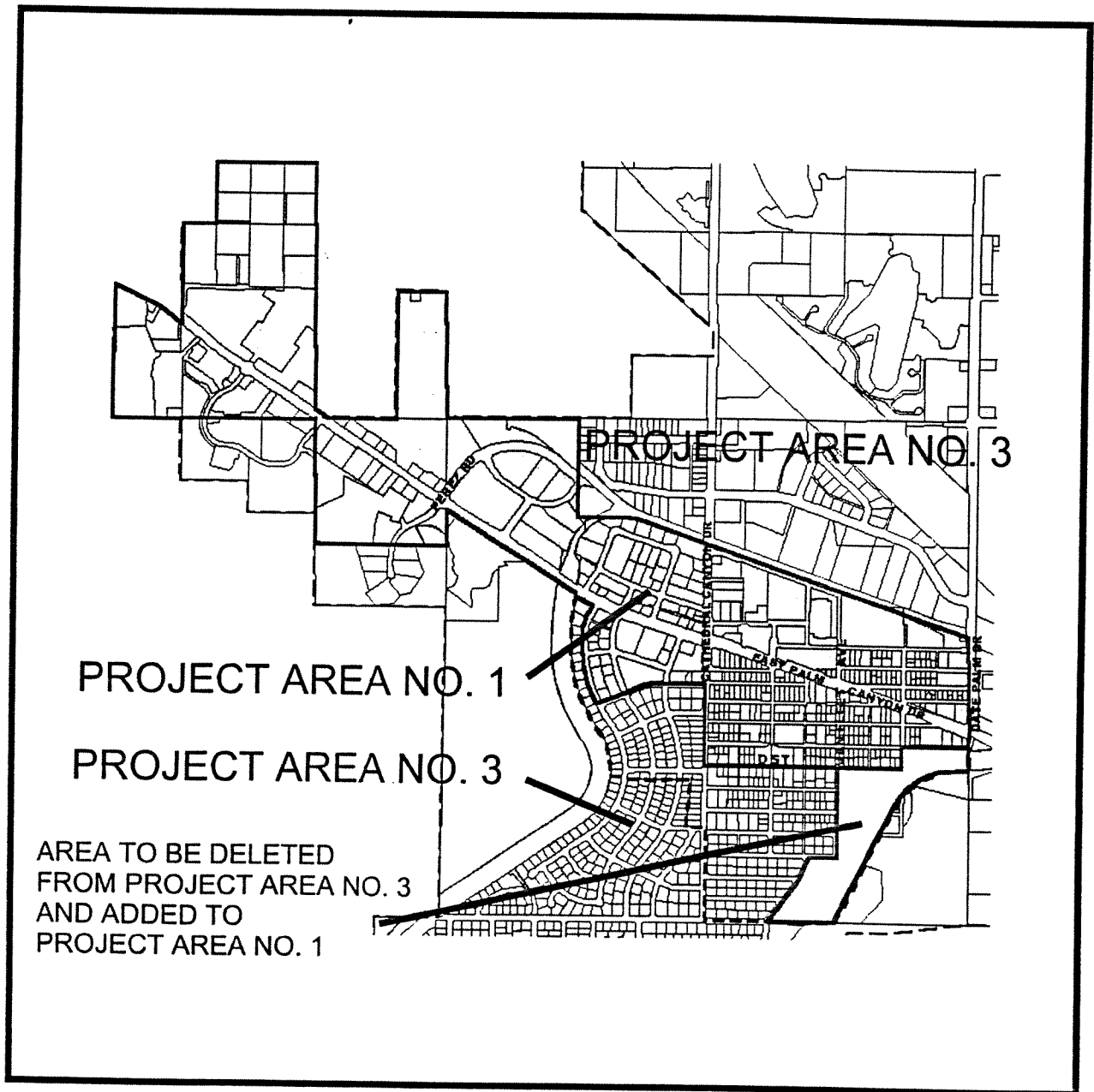
It is proposed that the principal purpose of the fourth amendment to the Redevelopment Plan for Project No. 1 will be to permit the elimination and prevention of blight through assistance and encouragement of private development efforts; through selective land acquisition, clearance and disposition for private redevelopment; and through provision or replacement of new or existing public improvements, facilities and utilities within and serving the Project Area and the Added Area. Direct Agency activity will occur only when sufficient financial resources are available and such action will produce effective and immediate redevelopment results.

The impact of the Project as amended by the fourth amendment upon residents thereof and upon the surrounding neighborhood, as well as upon business owners and tenants within the existing Project Area, will, in general, continue to be in the areas of increased and improved vehicular and pedestrian traffic circulation, enhanced shopping opportunities, increased employment and economic development opportunities, and improved environmental quality. To the extent that the acquisition of properties for redevelopment or for public improvements, facilities or utility purposes requires the acquisition of occupied buildings located on such properties, the Project as amended by the fourth amendment may cause displacement of occupants. Occupants so displaced would be entitled to relocation benefits and assistance, as provided under the State Relocation Act.

Exhibit 1

Redevelopment Project No. 1

Added Area Map



RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY CALIFORNIA, CALLING FOR THE FORMATION OF A PROJECT AREA COMMITTEE FOR THE FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT AREA NO. 1 AND ADOPTING PROCEDURE THEREFOR

WHEREAS, the Redevelopment Agency of the City of Cathedral City has prepared the proposed Fourth Amendment to the Redevelopment Plan for Redevelopment Project Area No. 1; and

WHEREAS, Section 33385.3 of the Community Redevelopment Law ("CRL") provides that when an agency proposes to amend a redevelopment plan to add territory in which a substantial number of low- and moderate-income persons reside and grant eminent domain authority to the agency, the agency shall establish a project area committee pursuant to Section 33385 of the CRL; and

WHEREAS, Section 33385 of the CRL provides that the legislative body of a city shall call upon the residents and existing community organizations in a redevelopment project area, within which a substantial number of low- and moderate-income persons reside and the redevelopment plan contains eminent domain authority over properties where such persons reside, to form a project area committee and to establish the procedure therefor; and

WHEREAS, the Agency, in connection with the Fourth Amendment, proposes to add certain territory deleted from Project No. 3 to Redevelopment Project Area No. 1 ("Fourth Amendment Area") in which a substantial number of low- and moderate-income persons reside and grant the authority to the Agency to acquire by eminent domain property on which persons reside in the added territory; and

WHEREAS, although the displacement of residential occupants by direct action of the Agency may occur and would only occur when necessary to achieve project objectives, and only in accord with the procedure required by law; nevertheless, a substantial number of low- and moderate-income families could be subject to displacement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cathedral City, California, as follows:

Section 1. The City Council hereby finds and determines that the Fourth Amendment Area contains a substantial number of low- and moderate-income persons, and that the Redevelopment Plan for Redevelopment Project Area No. 1, as proposed to be amended by the Fourth Amendment, will grant the provision for eminent domain authority over the Project Area, as amended by the Fourth Amendment.

Section 2. The City Council hereby finds and determines that the Project Area No. 1, as proposed to be amended by the Fourth Amendment, contains a substantial number of low- and moderate-income persons, and that the Redevelopment Plan for Redevelopment Project Area No. 1, as proposed to be amended by the Fourth Amendment, will provide of eminent domain authority to the Cathedral City Redevelopment Agency within Redevelopment Project Area No. 1.

Section 3. The City Council hereby calls upon the residents, business owners and existing community organizations within the proposed Fourth Amendment Area and Redevelopment Project Area No. 1 to form a Project Area Committee.

Section 3. The City Council hereby calls upon the residents, business owners and existing community organizations within the proposed Fourth Amendment Area and Redevelopment Project Area No. 1 to form a Project Area Committee.

Section 4. The "Procedure for Formation of Project Area Committee and Communitywide Procedures for Election of Members Thereof for the Redevelopment Project Area No. 1 and the Fourth Amendment Area to be Added Thereto," attached to this Resolution as Attachment "A" and incorporated herein by this reference, is hereby approved and adopted.

Section 5. The Executive Director (or designee) of the Cathedral City Redevelopment Agency is hereby authorized and directed to take all steps and actions necessary and appropriate to implement the adopted Procedure and form a Project Area Committee.

PASSED, APPROVED AND ADOPTED this ____th day of October, 2001.

Mayor
Cathedral City, California

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO CONTENT:



Redevelopment Director

REVIEWED

City Manager

Attachment "A"

PROCEDURE FOR FORMATION OF PROJECT AREA COMMITTEE AND
COMMUNITYWIDE PROCEDURES FOR ELECTION OF MEMBERS THEREOF
FOR
REDEVELOPMENT PROJECT AREA NO. 1
AND THE
FOURTH AMENDMENT AREA TO BE ADDED THERETO

Adopted by the
CITY COUNCIL OF THE CITY OF CATHEDRAL CITY
_____, 2001
Resolution No. ____

Public Hearing Conducted on October 24, 2001

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PROCEDURE FOR FORMATION OF PROJECT AREA COMMITTEE
AND COMMUNITYWIDE PROCEDURES FOR ELECTION OF
MEMBERS THEREOF FOR REDEVELOPMENT PROJECT AREA NO.
1 AND THE FOURTH AMENDMENT AREA TO BE ADDED THERETO

I. [Sec. 100] GENERAL

A. [Sec. 101] Purpose

The purpose of this document is to set forth a Procedure, as required by Section 33385 of the California Community Redevelopment Law (Health & Safety Code Sections 33000 et seq.), relating to the formation of a Project Area Committee ("PAC") and election of its membership in connection with the proposed Fourth Amendment to the Redevelopment Plan for Redevelopment Project Area No. 1, which will add territory to Redevelopment Project No. 1 ("Fourth Amendment Area"). The City Council has determined that a substantial number of low- and moderate-income families live within the Fourth Amendment Area to be added to Redevelopment Project Area No. 1 and has directed the Redevelopment Agency of the City of Cathedral City to form a PAC. The Redevelopment Agency shall comply with this Procedure to form and elect the membership of the PAC.

B. [Sec. 102] Short Title

This Procedure for Formation of Project Area Committee and Communitywide Procedures for Election of Members Thereof for Redevelopment Project Area No. 1 and the Fourth Amendment Area to be Added Thereto shall be known, and may be cited, as the "PAC Procedure".

C. [Sec. 103] Authority

This PAC Procedure has been adopted by Resolution No. _____ of the City Council of the City of Cathedral City, pursuant to Section 33385 of the Community Redevelopment Law ("CRL"). A duly noticed public hearing on the adoption of this PAC Procedure was held on October ____, 2001.

II. [Sec. 200] DEFINITIONS

Whenever the following terms are used in this PAC Procedure, unless otherwise defined, such terms shall have the meaning ascribed to them in this Section 200.

A. [Sec. 201] Fourth Amendment Area

"Fourth Amendment Area" means the Added Area within the boundaries described in the "Preliminary Plan for the redevelopment of the Area Added to the Cathedral City Redevelopment Project Area No. 1" approved by Resolution No. P01-941 of the Planning Commission of the Cathedral City Redevelopment Agency on September 19, 2001. The Fourth Amendment Area is a part of Redevelopment Project No. 3, from which it will be deleted.

B. [Sec. 202] Redevelopment Project Area No. 1

“Redevelopment Project Area No. 1” means the area within the boundaries described in the Redevelopment Project Area No. 1 legal description contained as Exhibit “B-1” in the Amended and Restated Redevelopment Plan for Merged Redevelopment Project Area No. 1 and Redevelopment Project Area No. 2, as amended to add the Fourth Amendment Area thereto.

C. [Sec. 203] Agency

“Agency” means the Redevelopment Agency of the City of Cathedral City and any Agency staff, consultants, assignees, delegates and City departments who may be assigned the duties and responsibilities for implementing this PAC Procedure.

D. [Sec. 204] Business

“Business” means any lawful enterprise conducted for the purpose of making a profit by a person or legal entity within the boundaries of Redevelopment Project Area No. 1 primarily:

1. For the purchase, sale, lease, or rental of personal or real property.
2. For the manufacture, processing or marketing of products or commodities; or
3. For the sale of services to the public; or
4. For any other legally defined business purpose.

E. [Sec. 205] Business Owner

“Business Owner” means any person or legal entity which presents evidence of ownership and operation of a business enterprise within Redevelopment Project Area No. 1, or the ownership of property in Redevelopment Project Area No. 1 for investment purposes and not for personal occupancy.

F. [Sec. 206] City

“City” means the City of Cathedral City, California.

G. [Sec. 207] City Council

“City Council” means the legislative body of the City of Cathedral City.

H. [Sec. 208] Communitywide

“Communitywide” means all persons residing within Redevelopment Project Area No. 1, entities conducting business within Redevelopment Project Area No. 1, owners of property within Redevelopment Project Area No. 1, and community organizations, including religious institutions, located within Redevelopment Project Area No. 1.

I. [Sec. 209] Existing Community Organization

“Existing Community Organization” means any existing nonprofit corporation or association of persons and/or entities which has its headquarters or a site office within Redevelopment Project Area No. 1, as defined by Section 201 above, or has a substantial number of constituents who are persons and/or entities who reside or conduct business in Redevelopment Project Area No. 1 formed for the purpose of serving the community, and is generally recognized by persons within Redevelopment Project Area No. 1 as a community organization. Existing Community Organizations also include religious institutions located within Redevelopment Project Area No. 1 or a substantial portion of whose congregation resides within Redevelopment Project Area No. 1.

J. [Sec. 210] Project Area

The combination of the Redevelopment Project Area No. 1 and the Fourth Amendment Area is referred to as the “Project” or “Project Area”.

K. [Sec. 211] Project Area Committee

“Project Area Committee” or “PAC” means the committee formed and selected pursuant to Section 33385 of the CRL and in accordance with this PAC Procedure.

L. [Sec. 212] Redevelopment Project

“Redevelopment Project” means the redevelopment project which was adopted pursuant to the CRL, and which is referred to as Redevelopment Project No. 1.

M. [Sec. 213] Resident

“Resident” means any person who owns, rents, leases or otherwise lawfully occupies as his or her principal residence a dwelling unit within the Project Area.

N. [Sec. 214] Residential Owner Occupant

“Residential Owner Occupant” means any Resident who presents satisfactory written evidence of ownership of all or a substantial fee interest in the dwelling unit that he or she occupies within the Project Area.

O. [Sec. 215] Residential Tenant

“Residential Tenant” means any resident who presents satisfactory evidence that he or she lawfully occupies a dwelling unit or is a party to a residential rental or lease agreement for a dwelling unit which he or she lawfully occupies within the Project Area.

III. [Sec. 300] PUBLICIZING THE OPPORTUNITY TO SERVE ON THE PROJECT AREA COMMITTEE

A. [Sec. 301] Written Notice by Mail

The Agency shall publicize the opportunity to serve on the PAC by providing written notice by first-class mail to all residences, businesses, and community organizations, including religious institutions and other non-profit organizations, within the Project Area at least 30 days prior to the formation of the PAC.

The notice(s) shall indicate the time, place, location and opportunity to serve on the PAC prior to any of the public meetings, hearings or plebiscites required by this PAC Procedure.

Additionally, the Agency shall mail written notice of all meetings, hearings, or plebiscites to be conducted by or on behalf of the Agency or the City Council pursuant to this PAC Procedure relative to the formation and selection of the PAC to all residents, businesses and community organizations in the Project Area, provided that the Agency can obtain mailing addresses for the individual residents, businesses or occupants at a reasonable cost. Such mailed notice shall be mailed by first-class mail, but may be addressed to "Occupant".

In lieu of providing separate notices for publicizing the opportunity to serve on the PAC and for each meeting, hearing, or plebiscite, the Agency may provide a single combined notice pursuant to this Section stating all of the dates, times, and locations of any meetings, hearings and plebiscites.

If the Agency has acted in good faith to comply with the notice requirements of this Section, the failure of the Agency to provide the required notice to residents or businesses unknown to the Agency or whose addresses could not be obtained at a reasonable cost, shall not, in and of itself, invalidate the formation or actions of the PAC.

B. [Sec. 302] Publication

The Agency shall publish notice of the opportunity to serve on the PAC and all meetings, hearings or plebiscites to be conducted by or on behalf of the Agency or the City Council in accordance with this PAC Procedure relative to the formation and selection of the PAC.

The notice(s) shall be published at least one (1) time in a newspaper of general circulation within the City, and at least ten (10) days prior to the date established for each such meeting, hearing or plebiscite.

C. [Sec. 303] Public Meeting(s)

The Agency shall conduct a minimum of one (1) public meeting to explain the establishment and functions of, and the opportunity to serve on, the PAC (the "Information Meeting").

One basic purpose of the Information Meeting shall be to give the attendees sufficient information upon which to base a decision as to whether to become a candidate. This shall include information regarding the proposed redevelopment plan amendments (i.e., examples of activities that are planned to be undertaken within the Project Area) and the role of the PAC in the redevelopment process.

Information regarding the types of issues the PAC might be considering and the time commitments required by PAC members shall be available. Agency staff shall also inform the audience of the requirement for PAC members to file Conflict of Interest Statements and copies of these forms shall be available upon request.

The membership interest categories to be filled on the PAC and the qualifications for each category shall be reviewed with the audience. An overview of the election process shall be given, including the nature of documentation required for candidacy and voting, any special timing or other rules, and the provisions of Section 601 of this PAC procedure regarding filing a challenge to the election or electoral process. A sample agenda for the PAC Election Meeting (defined in Section 509 of this PAC Procedure) specifying the sequence of events shall be made available. Potential candidates shall be informed of their opportunity to make a presentation on election night, as well as the approximate time limit for such presentations.

Once all questions have been answered regarding the role of the PAC and the qualification of candidates, Candidate Information Forms, as defined in Section 510 of this PAC Procedure, shall be made available to those attending the Information Meeting.

Interested persons shall be permitted to take the Candidate Information Form with them to be completed and returned at or prior to the time set forth in Section 510, if they chose to become a candidate.

Persons attending the Information Meeting shall also be provided with a Voter Qualification Form. Voters may pre-qualify by returning the Voter Qualification Form along with the required documentation to the Agency offices prior to the Election Meeting. Those who have not pre-qualified may be qualified at the Election Meeting described under Section 509 of this PAC Procedure.

Also at the Information Meeting, the Agency shall distribute copies of the following documents:

1. This PAC Procedure;
2. A copy of Article 6.5 (Project Area Committee), Section 33347.5, and Section 33366 of the Community Redevelopment Law;
3. A copy of the existing Redevelopment Plan for Redevelopment Project No. 1;
4. A copy of the proposed Amendments to the Redevelopment Plan or pertinent portions thereof, if available; and
5. Any other materials the Agency staff determines would be useful.

The number of copies of the above referenced documents and materials to be made available at the meeting shall be sufficient to meet the estimated number of attendees anticipated. Additional copies of the materials shall be available to the public at a place or places designated by the Agency.

The Agency may limit the number of documents or materials to be distributed to any one person, family or legal entity to one (1) set in order to avoid excessive and unnecessary costs. Any person or entity may request additional copies of the documents, at a reasonable duplication cost.

D. [Sec. 304] Posting and Distributing Notice

The Agency may post notice or distribute flyers regarding the opportunity to serve on the PAC at conspicuous locations throughout the Project Area and the City, as appropriate. Such notices may be posted in the following locations:

1. Office of the City Clerk;
2. Foyer of City Hall;
3. Libraries in the City; and
4. Other public buildings in the City.

E. [Sec. 305] Display Advertisement

The Agency may place notice of the opportunity to serve on the PAC in a display advertisement in a newspaper of general circulation within the City.

F. [Sec. 306] Public Service Announcements

The Agency may make announcements to the general public at any of its regular meetings held prior to any of the public meetings, hearings or plebiscites required by this PAC Procedure, announcing the opportunity to serve on the PAC.

G. [Sec. 307] Foreign Languages

The Agency may determine to translate any of the notices or announcements referred to in this PAC Procedure into another language or languages and place advertisements in foreign language publications to effectively carry out the purpose of this PAC Procedure.

H. [Sec. 308] Other Mechanisms to Publicize Opportunity to Serve on PAC

The Agency may include notice of the opportunity to serve on the PAC in any published and/or mailed notice which the Agency gives in accordance with the CRL and this PAC Procedure to notice any meeting, hearing, or plebiscite relative to the formation and selection of the PAC.

IV. [Sec. 400] PAC MEMBERSHIP

A. [Sec. 401] Adequate Representation

The PAC shall only include, when applicable, elected representatives of residential owner occupants, residential tenants, business owners, and existing organizations (including religious institutions) within the Project Area, as illustrated on the Map of the Project Area attached to this PAC Procedure as Exhibit A. Each membership interest category shall be adequately represented.

B. [Sec. 402] Membership Interest Categories and Numbers of Members in Each

The PAC shall consist of nine (9) members in the following representative membership interest categories and numbers:

Category	Number of Members
1. Residential Tenants	2
2. Residential Owner Occupants	2
3. Business Owners	2
4. Representatives of Existing Community Organizations, Including Religious Institutions	3
TOTAL	9

C. [Sec. 403] Vacancies in Membership Interest Categories

In the event there is an insufficient number of candidates elected to any membership interest category of the PAC, such seats may be filled by appointment by a majority vote of the full PAC membership (until such time as the PAC develops procedures for filling vacancies), and such appointed members shall serve until a subsequent regular election of the PAC is held. The existence of any vacancies shall not prevent the PAC from carrying out its duties as required by the CRL.

D. [Sec. 404] PAC Membership not Transferable

Once elected, a PAC member may not transfer or assign his or her PAC membership to another person, regardless of whether the other person is eligible for membership.

V. [Sec. 500] PAC ELECTION

A. [Sec. 501] Membership and Voter Eligibility

1. [Sec. 502] General Eligibility Requirements Applicable to Candidates and Voters in All Membership Interest Categories

All candidates seeking PAC membership within any membership interest category and all voters must be present at the election. Any Resident, Business Owner, or representative from an Existing Community Organization who is eligible for PAC membership is also eligible to vote in a PAC election.

2. [Sec. 503] Eligibility Requirements for Residents and Business Owners

In order to qualify to vote for or serve as members of the Residents and Business Owners membership interest categories of the PAC, a person must present proof that he or she is at least 18 years or older and is either a Resident or Business Owner within the Project Area. Proof of eligibility shall consist of a California driver's license or California identification card and such other proof as required pursuant to the provisions set forth in Sections 504 and 505 of these PAC Procedures.

3. [Sec. 504] Required Proofs for Residential Owner Occupant Category

Persons seeking to prove their eligibility for the Residential Owner Occupant membership interest category must, in addition to the proof required by Section 503 above, also provide evidence of current ownership of property within the Project Area by such means as a copy of a property tax bill or similar documentation showing present property ownership.

4. [Sec. 505] Required Proofs for Residential Tenant and Business Categories

Persons seeking to prove eligibility for the membership interest categories relating to the holding of tenancies in the Project Area, such as (1) Residential Tenant or (2) Business Owner must also provide evidence of their current residential tenancy or business operation or ownership by such means as a copy of a lease of or rental agreement for property within the Project Area, copy of rent receipt, current utility bill, or copy of business license or permit, business card, or similar documentation.

5. [Sec. 506] Eligibility Requirements for Representatives of Existing Community Organizations

In order to qualify to vote for the Existing Community Organization representatives, a person must present proof that he or she is 18 years of age or older and is a Resident, Business Owner or an eligible representative of an Existing Community Organization within or serving the Project Area. Proof of eligibility shall be as set forth in Sections 503 through 505, inclusive.

In order to determine the eligibility of a representative from an Existing Community Organization for membership on the PAC, the following evidence must be submitted:

1. Evidence of the existence and operation of the organization within the Project Area, such as articles of incorporation, by-laws, nonprofit status, income tax return, or such other documentation;
2. A resolution, letter or minutes of the organization's board of directors designating the person as its representative and authorizing such person to act on its behalf; and
3. Such other documentation that the Agency staff may deem necessary to carry out the intent of this Section.

Each Existing Community Organization shall be entitled to designate only one person to vote on its behalf and to be a candidate for representatives of Existing Community Organizations.

6. [Sec. 507] Multiple Qualifying Conditions

A person with multiple qualifying conditions shall be entitled to cast only one vote, regardless of the number of properties which that person owns or other conditions which otherwise provide the basis for qualification. All persons eligible to vote for Residents and Business Owners, are also eligible to vote for Existing Community Organizations representatives.

Entities and businesses, which are not natural persons, such as partnerships or corporations, shall select only one person to run or vote on behalf of that entity, even if that entity may be qualified in more than

one category. In addition, a multiple qualifying business shall select one category in which to run or vote. As an example and not as a limitation of the foregoing, if a partnership owns property in one part of the Project Area and conducts a business in another part of the Project Area, only one partner may run or vote in only one selected category; one partner may not run or vote in one category and another partner run or vote in another category.

Notwithstanding the foregoing, Residents of the Project Area who share interests in residential property (e.g., Residential Owner Occupants, Residential Tenants) qualifying them to run for a membership interest category on the PAC may each run or vote for that category, provided that there is a disclosure of their joint interest. For the purposes of this PAC Procedure, "Residents" excludes corporations or other business entities.

If at any time a PAC member's status changes such that the member no longer meets the qualifications of the position held, or the basis on which the qualification is made no longer applies, such PAC member must resign or be terminated from the position.

B. [Sec. 508] Election Meeting

After the Agency conducts the public meeting(s) to explain the PAC required in Section 303 of this PAC Procedure, the Agency shall hold another public meeting necessary to the formation and selection of the PAC. The purpose of such public meeting shall be to hold an election for PAC membership in accordance with the requirements of this PAC Procedure (the "Election Meeting"). The Election Meeting may be commenced on one date and continued to another date if necessary and if desired by the Agency and the public to complete the formation process. The election shall be held within 100 days after the receipt of the Fourth Amendment to Redevelopment Project Area No. 1 by the Cathedral City Redevelopment Agency.

A brief introduction as to the purpose of the meeting and an overview of the meeting agenda shall be presented at the Election Meeting. Sufficient copies of the agenda shall be available to allow the public to follow the sequence of events.

C. [Section 509] Election Process

1. [Sec. 510] Candidate Information Forms

In order to facilitate the election of a representative PAC, any person desiring to serve must complete and provide the Agency with a "Candidate Information Form" no later than the time set by the Agency, which shall be no less than one week after the Information Meeting to explain the PAC, as provided for in Section 303 of this PAC Procedure. Nominations for candidates will also be taken from the floor during the Election Meeting in accordance with parliamentary procedure if no candidates or an insufficient number of candidates have nominated themselves by previously submitting a Candidate Information Form. Any person nominated from the floor shall complete and submit the Candidate Information Form immediately after his or her nomination. Copies of Candidate Information Forms will be made available at the Information Meeting and will otherwise be available by request at the office of the Agency.

The Candidate Information Forms will call for:

- a. The name and address of the candidate, including "qualifying address," if different;

- b. The membership interest category for which the candidate is running; and
- c. A brief statement of the candidate's qualifications to be made available for the Election Meeting.

2. [Sec. 511] Pre-Election Registration

Any person desiring to vote must register or have previously registered with the Agency staff by producing proof of eligibility to vote as provided for in Sections 503 through 505 of this PAC Procedure. After a person is registered, he or she shall be given two ballots, one for the membership interest category for which he or she qualifies, and the other for the representatives of Existing Community Organizations category.

Any person eligible to vote or to be a candidate in more than one membership interest category (other than voting for representatives of Existing Community Organizations) must choose only one of the categories. Proof of eligibility must be provided for the category chosen.

3. [Sec. 512] Candidate Presentations

All candidates from each membership category shall be given a reasonable opportunity to make a presentation of their qualifications and reasons they should be elected to the PAC at the Election Meeting. The Agency staff shall establish the period of time for each presentation, taking into consideration the number of candidates and other circumstances surrounding the election. Candidates may be elected without making a presentation of their qualifications.

4. [Sec. 513] Balloting

Persons eligible to vote shall be entitled to cast votes only in the category for which he or she is eligible to vote, and for representatives of Existing Community Organizations. Persons representing Existing Community Organizations shall only vote for candidates in that category.

Ballots shall be provided for each membership interest category showing the qualified candidates within each category. Voters will need to add to the ballot the names of candidates who qualified after the ballots were printed. The names of these candidates will be written clearly on a blackboard or other visual aid. Voting shall be conducted by secret ballot. The Agency staff may set up private booths, but such booths are not required. The Agency staff shall make a reasonable effort to insure private voting. Simply folding the ballot and passing it to an authorized election assistant will suffice.

The tallying of ballots shall occur at the Election Meeting by Agency staff assisted by two volunteers from the public present at the election. No absentee ballots shall be accepted. Ballots, Candidate Information Forms and other records or documents relating to the election shall be maintained by the Cathedral City City Clerk or Agency staff for a period of at least two years.

5. [Sec. 514] Results/Runoffs

Agency staff shall announce the verified winners of each membership interest category as soon as possible after the balloting for each category. The candidate with the highest number of votes in the applicable membership interest category (or such number of candidates with the highest number of votes as there are positions available) shall be elected. If a tie vote makes a runoff necessary, it should be announced

immediately, even if another category's candidate presentations are interrupted, in order to encourage eligible voters to remain so that they may participate in the runoff election.

VI. [Sec. 600] PAC APPROVAL

A. [Sec. 601] Validity Challenges

Decisions made by the Agency regarding eligibility to become a PAC member candidate or to vote, the sufficiency of evidence provided in support of such eligibility, interpretation of this PAC Procedure, or any other matter pertaining to the implementation of this PAC Procedure shall be final; provided, however, that any person or group who believes that any such decision was arbitrary or not made in good faith, or who believes that any matter relating to the formation and selection of the PAC or this PAC Procedure was or is unfair, arbitrary, unreasonable, unjust or illegal, may file a written challenge to the election or electoral process stating the facts of the situation and the reasons why it is being challenged.

A challenge to the election or to the electoral process shall be filed with the Cathedral City City Clerk no more than 15 calendar days following the election of the PAC. The validity of all challenges shall be determined by the City Council by resolution adopted within 30 calendar days following the election.

B. [Sec. 602] City Council Finding and Approval

After the election of the membership of the PAC, and adoption of a resolution by the City Council determining the validity of any challenges to the election or electoral process filed with the City Clerk within the time prescribed in Section 601, if any, the City Council shall adopt a resolution finding that the election and the electoral process complies with the provisions of this PAC Procedure, and approving the PAC as elected. This action shall take place only after the validity of all challenges, if any, has been determined by the City Council. Notice of the date of the City Council finding regarding PAC formation and PAC approval shall be announced at the Election Meeting, and notice shall be provided to Residents and Businesses in accordance with Section 300 of this PAC Procedure.

VII. [Sec. 700] GENERAL PROVISIONS

A. [Sec. 701] Implementation

The Agency is authorized to formulate and take all actions necessary or appropriate to implement this PAC Procedure consistent with this PAC Procedure and the CRL.

B. [Sec. 702] Agency Costs

The Agency may charge fees to persons purchasing or leasing property from the Agency in the Project Area, and to persons participating in redevelopment of the Project under an owner participation agreement, to defray any cost to the Agency or the City Council of complying with this PAC Procedure.

C. [Sec. 703] Compensation of PAC Members

The members of the PAC shall serve without compensation.

D. [Sec. 704] Voting on PAC Matters

Once elected, PAC members may vote on any matter before the PAC.

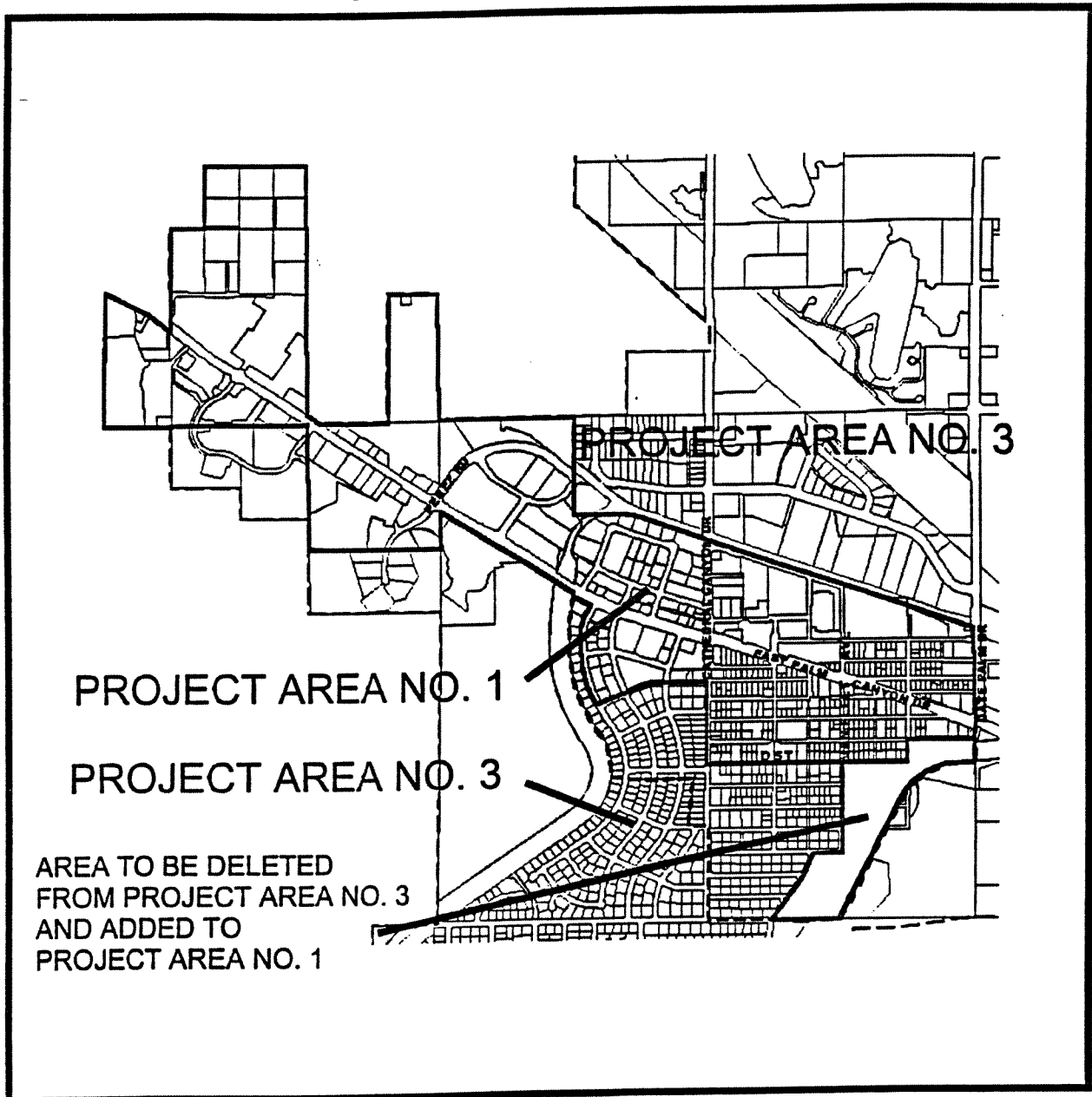
VIII. [Sec. 800] AMENDMENT OF PAC PROCEDURE

The City Council may amend this PAC Procedure to make any necessary adjustments or changes to effectively form and elect the PAC. Any such amendment shall be adopted only after a duly noticed public hearing.

Exhibit A

MAP OF PROJECT AREA

**DELETION AND ADDITION AREA MAP
Cathedral City Redevelopment Project No. 1
and
Cathedral City Redevelopment Project No. 3**



PROPOSED FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR
REDEVELOPMENT PROJECT AREA NO. 1

Project Area Committee Formation

ELECTION PROCEDURES

Introduction

Thank you for participating in the Project Area Committee (PAC) election and showing concern for your community. The purpose of the election is to elect the members of the Redevelopment Project Area No. 1 PAC, as called for by the City Council. The PAC will consist of nine (9) members representing four membership interest categories, and who reside, own property or a business, or who are a member of an existing community organization located anywhere within the existing Redevelopment Project Area No. 1 or the area to be added by the proposed Fourth Amendment to the Redevelopment Plan. The distribution of PAC membership will be as follows:

<u>Membership Interest Category</u>	<u>Number of Members</u>
1. Residential Tenants	2
2. Residential Owner Occupants	2
3. Business Owners	2
Subtotal	6
4. Representatives of Existing Community Organizations, Including Religious Institutions	3
TOTAL	9

Below you will find instructions on how to determine whether you are eligible to vote, which membership interest category you may vote for, and how to mark your ballot and vote for candidates.

Step One: (Make sure you are eligible to vote)

- #1) You may vote if you are at least 18 years old and you: 1) live as a tenant anywhere within the boundaries of the Project Area; or 2) own and live in your own home anywhere within the Project Area; 3) own and operate a business or own property anywhere within the Project Area; or 4) are the designated representative of a community organization providing services in or to the Project Area.
- #2) Check the displayed project boundary map to see if your home, business or property is located within the Project Area. Ask for assistance from the staff if you need it.
- #3) Unless you are a candidate and have previously certified your eligibility to vote by submitting a Candidate Information Form, you must complete and submit the Voter Qualification Form which is attached to these Election Procedures.
- #4) Staff will review your completed Voter Qualification Form and inform you of the location where the election for representatives of your membership interest category is to be held.

#5) Special requirements:

- All qualified voters may vote in the election for both 1) candidates from their own membership interest category and 2) candidates from community organizations. For example, if you have certified that you live as a residential tenant, you may vote for both residential tenant candidates and community organization candidates.
- Even though you may be technically eligible to vote for candidates (in addition to community organization interest category) in two or more membership interest categories (business and residential tenant or owner-occupant, for example) you may vote in only one category in addition to the community organization category. The choice is yours.
- Each business shall have only one vote, regardless of the number of representatives present at the election.
- All qualified voters within a household located within the Project Area may vote in the election.

#6) Proof of eligibility to vote and/or be a candidate will be required. On the evening of the election, please bring with you the following identification:

- Residential Owner-Occupants - Tax bill or Deed of Trust, picture ID **and** utility bill or other official document which shows your name and resident address.
- Residential Tenant - Picture ID **and** rental agreement, utility bill or other official document which shows your name and resident address.
- Business Owner - Picture ID **and** business license, permit, or business card.
- Community Organization - Picture ID **and** evidence of authority to represent the organization (i.e., letter from board or minutes from board meeting appointing you as representative).

Step Two: (Decide which candidates you wish to vote for)

- #1) Review the candidates' displayed Candidate Information Forms.
- #2) Listen to the candidates' presentations. Each candidate will be given three minutes (3) to state their interest and qualifications.
- #3) If no candidates or an insufficient number of candidates have nominated themselves by previously submitting a Candidate Information Form, volunteer candidates will be solicited from the persons present who are eligible to vote.

Step Three: (Vote by marking your ballot)

- #1) Turn in your Voter Qualification Form and receive a ballot form for the community organization category and another ballot for the membership interest category in which you are qualified to vote:
 - Gold ballot: residential owner-occupant representatives
 - Blue ballot: residential tenant representatives
 - White ballot: business owner representatives

- Pink ballot: community organization representatives

- #2) Vote by placing an X by the name (or names, if more than one representative is being elected) of the candidate(s) of your choice. Note: if volunteer candidates were solicited, you should have written their names in the appropriate blanks.

Step Four: (Fold and return your ballot to the staff person assisting with the election)

After the ballots have been collected and counted, return to the main meeting area where the winning candidates will be announced.

PROPOSED FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR
REDEVELOPMENT PROJECT AREA NO. 1

Project Area Committee Formation

CANDIDATE INFORMATION FORM

To the City Council of the City of Cathedral City:

I, _____, would like to volunteer to run for election to the
Project Area Committee ("PAC") for Redevelopment Project Area No. 1 at the election meeting to be held
_____, 2001, at _____, in the _____.

I desire to be elected as a representative of the Project Area for the following membership interest category:

- ☐ Residential Owner-Occupant
- ☐ Residential Tenant
- ☐ Business Owner
- ☐ Existing Community Organization

I certify that, within the boundaries of the Project Area, I:

- ☐ Am a residential tenant with property located at _____
- ☐ Am a residential owner-occupant with property located at _____
- ☐ Am an owner-operator of a business whose name and address is _____

- or am an absentee owner of property located at _____

- ☐ Am a representative of a community organization whose name and address is _____

I have attached or have previously submitted evidence of my authority to represent this
community organization.

My prior experience in community affairs and/or my other qualifications to serve on the Project Area
Committee are as follows (attach additional sheet, if necessary):

I certify that no other representative from my business or community organization is a candidate in the PAC
election.

Signed:

Date:

Qualification verified by:

PROPOSED FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR
REDEVELOPMENT PROJECT AREA NO. 1

Project Area Committee Formation

VOTER QUALIFICATION FORM

I, _____, certify that I am at least 18 years of age and that, within the boundaries of the Project Area, I (please check appropriate box and fill in the information requested):

- ☐ Am a residential tenant with property located at _____

- ☐ Am a residential owner-occupant with property located at _____

- ☐ Am a resident living in an owner-occupied unit located at _____

- ☐ Am an owner-operator of a business whose name is _____
_____ or am an absentee owner of property located _____

- ☐ Am a representative of a community organization whose name and address is _____

I further certify that no other representative from my business or community organization is voting in tonight's election.

Signed:

Date:

Qualification verified by:

[PRINT ON AGENCY LETTERHEAD]

PROPOSED FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN
FOR REDEVELOPMENT PROJECT AREA NO. 1

Public Information Meeting Agenda

_____, 2001

[Insert Location and Time of Meeting]

1. 6:00 - 6:05 Welcome and Introductions
2. 6:35 - 6:50 Purpose and Components of a Redevelopment Plan
3. 6:05 - 6:20 Reasons for Amending the Redevelopment Plan for
Redevelopment Project Area No. 1
4. 6:20 - 6:35 Overview of the Amendment Process
5. 6:50 - 7:05 Purpose and Function of a Project Area Committee and Election Procedures
6. 7:05 -7:30 Community Questions and Answers
7. 7:30 Adjournment

72.

PROPOSED FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN
FOR REDEVELOPMENT PROJECT AREA NO. 1

Project Area Committee Election Meeting Agenda

_____, 2001

[insert name of building and address]

- | | | |
|----|-------------|--|
| 1. | 7:00 - 7:30 | Voter and Candidate Qualifications Verification |
| 2. | 7:30 - 7:35 | Welcome and Introductions |
| 3. | 7:35 - 7:50 | Purpose and Function of a Project Area Committee and Election Procedures |
| 4. | 7:50 - 8:00 | Questions and Answers |
| 5. | 8:00 - 8:30 | PAC Election |
| | 8:00 - 8:15 | Community Organizations' Candidate Presentations |
| | 8:15 - 8:30 | Community Organization Elections |
| | 8:30 - 9:00 | Other Candidate Presentations |
| | 9:00 - 9:15 | Other Candidate Elections |
| 6. | 9:15 - 9:30 | Counting of Ballots and Announcement of Winning Candidates |
| 7. | 9:30 | Adjournment |

Project Area Committee Formation

B A L L O T

BUSINESS OWNERS

(Membership Interest Category Being Voted Upon)

Of the candidates listed below, vote for ____ representatives.

☐

☐

☐

☐

☐

☐

Project Area Committee Formation

B A L L O T

RESIDENTIAL TENANT REPRESENTATIVES
(Membership Interest Category Being Voted Upon)

Of the candidates listed below, vote for ____ representatives.

<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

75.

Project Area Committee Formation

B A L L O T

COMMUNITY ORGANIZATION REPRESENTATIVES
(Membership Interest Category Being Voted Upon)

Of the candidates listed below, vote for 1 representative.

<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

Project Area Committee Formation

B A L L O T

RESIDENTIAL OWNER-OCCUPANT REPRESENTATIVES
(Membership Interest Category Being Voted Upon)

Of the candidates listed below, vote for ____ representatives.

<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

ATTACHMENT NO. 3

**RESOLUTION DETERMINING THAT A PROJECT AREA
COMMITTEE SHALL NOT BE FORMED IN CONNECTION WITH
THE AMENDMENT TO THE REDEVELOPMENT PLAN FOR
PROJECT AREA NO. 2**

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY DETERMINING THAT A PROJECT AREA COMMITTEE SHALL NOT BE FORMED IN CONNECTION WITH THE PROPOSED AMENDMENT TO THE REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT AREA NO. 2

WHEREAS, the Cathedral City Redevelopment Agency ("Agency") proposes to amend the Redevelopment Plan for Redevelopment Project Area No. 2 ("Amendment") to establish the Agency's eminent domain authority within the Project Area over non-residential property only; and

WHEREAS, the California Community Redevelopment Law (Health and Safety Code, Section 33000, et seq.) requires that if a project area committee does not exist, and an agency proposes to amend a redevelopment plan [or plan amendment], the agency shall establish a project area committee if the proposed amendment would do any of the following:

1) Grant the authority to the agency to acquire by eminent domain property on which persons reside, and a substantial number of low- and moderate-income persons reside in the project area.

2) Add territory in which a substantial number of low- and moderate-income persons reside and grant the authority to the agency to acquire by eminent domain property on which persons reside in the added territory;

3) Add one or more public projects that will displace a substantial number of low-income persons or moderate-income persons, or both; and

WHEREAS, the California Community Redevelopment Law also requires, that if the project area does not contain a substantial number of low- and moderate-income families whose residences would be subject to eminent domain, the agency shall consult with and obtain the advice of residents of community organizations, and further requires that the proposed amendment to the redevelopment plan be provided to such residents and community organizations prior to its submission to the city council; and

WHEREAS, adoption and implementation of the proposed amendment will not result in subjecting or re-subjecting residential properties within the existing Redevelopment Project Area No. 2 to acquisition by the Agency through use of eminent domain authority; and

WHEREAS, because the amendment will not add public projects that will displace a substantial number of low-income or moderate-income persons, adoption and implementation of the amendment will not result in the displacement of a substantial number of low- and moderate-income persons, either through Agency property acquisition or through public projects implemented by the Agency.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY HEREBY RESOLVES AS FOLLOWS:

Section 1. The City Council finds and determines that the proposed amendment to the Redevelopment Plan for Redevelopment Project Area No. 2 will not result in subjecting or re-subjecting properties within the existing Redevelopment Project Area No. 2 in which a substantial number of low- and moderate-income persons reside to acquisition by the Cathedral City

Redevelopment Agency with eminent domain authority, and that formation of a project area committee is not required for the project prior to the adoption of the amendment. The City Council further determines that a project area committee or committees shall not be formed in connection with the amendment.

Section 2. The Cathedral City Redevelopment Agency is hereby authorized and directed to consult with and obtain the advice of residents, property owners, and community organizations within Redevelopment Project Area No. 2 and to provide such residents, owners and organizations with the proposed amendment to the Redevelopment Plan prior to its submission to the City Council.

PASSED, APPROVED and ADOPTED, this ____ day of _____, 2001.

Mayor, City of Cathedral City

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO CONTENT

Susan Moeller, Redevelopment Director

REVIEWED

Don Bradley, City Manager

ATTACHMENT NO. 4

**RESOLUTION DETERMINING THAT A PROJECT AREA
COMMITTEE SHALL NOT BE FORMED IN CONNECTION WITH
THE AMENDMENT TO THE REDEVELOPMENT PLAN FOR
PROJECT AREA NO. 3**

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY DETERMINING THAT A PROJECT AREA COMMITTEE SHALL NOT BE FORMED IN CONNECTION WITH THE PROPOSED AMENDMENT TO THE REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT NO. 3

WHEREAS, the Cathedral City Redevelopment Agency ("Agency") proposes to amend the Redevelopment Plan for Redevelopment Project No. 3 ("Amendment") to establish the Agency's eminent domain authority within the Project Area over non-residential property only, and to delete certain property therefrom; and

WHEREAS, the California Community Redevelopment Law (Health and Safety Code, Section 33000, et seq.) requires that if a project area committee does not exist, and an agency proposes to amend a redevelopment plan [or plan amendment], the agency shall establish a project area committee if the proposed amendment would do any of the following:

1) Grant the authority to the agency to acquire by eminent domain property on which persons reside, and a substantial number of low- and moderate-income persons reside in the project area.

2) Add territory in which a substantial number of low- and moderate-income persons reside and grant the authority to the agency to acquire by eminent domain property on which persons reside in the added territory;

3) Add one or more public projects that will displace a substantial number of low-income persons or moderate-income persons, or both; and

WHEREAS, the California Community Redevelopment Law also requires, that if the project area does not contain a substantial number of low- and moderate-income families whose residences would be subject to eminent domain, the agency shall consult with and obtain the advice of residents of community organizations, and further requires that the proposed amendment to the redevelopment plan be provided to such residents and community organizations prior to its submission to the city council; and

WHEREAS, adoption and implementation of the proposed amendment will not result in subjecting or re-subjecting residential properties within the existing Redevelopment Project No. 3 to acquisition by the Agency through use of eminent domain authority; and

WHEREAS, because the amendment will not add public projects that will displace a substantial number of low-income or moderate-income persons, adoption and implementation of the amendment will not result in the displacement of a substantial number of low- and moderate-income persons, either through Agency property acquisition or through public projects implemented by the Agency.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY HEREBY RESOLVES AS FOLLOWS:

Section 1. The City Council finds and determines that the proposed amendment to the Redevelopment Plan for Redevelopment Project No. 3 will not result in subjecting or re-subjecting properties within the existing Redevelopment Project No. 3 in which a substantial number of low- and moderate-income persons reside to acquisition by the Cathedral City Redevelopment Agency with eminent domain authority, and that formation of a project area committee is not required

for the project prior to the adoption of the amendment. The City Council further determines that a project area committee or committees shall not be formed in connection with the amendment.

Section 2. The Cathedral City Redevelopment Agency is hereby authorized and directed to consult with and obtain the advice of residents, property owners, and community organizations within the existing Redevelopment Project No. 3 and to provide such residents, owners and organizations with the proposed amendment to the Redevelopment Plan prior to its submission to the City Council.

PASSED, APPROVED and ADOPTED, this ____ day of _____, 2001.

Mayor, City of Cathedral City

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO CONTENT

Susan Moeller, Redevelopment Director

REVIEWED

Don Bradley, City Manager



AGENDA REPORT
for consideration by the
CATHEDRAL CITY CITY COUNCIL

SUBJECT: A request to amend Chapter 19.16 Screening of Outdoor Storage and Trash Enclosures, of the City's Zoning Ordinance, regarding a reduction in the time frame in which a trash enclosure is to be installed upon written notification from the City.

DEPARTMENT: Planning

MEETING DATE: October 24, 2001

CONTACT PERSON: Cynthia S. Kinser

DEADLINE FOR ACTION: N/A

APPROVED:


Department


City Manager


Finance

RECOMMENDATION:

That the City Council adopt the draft Ordinance, thereby approving an amendment to Chapter 19.16 Screening of Outdoor Storage and Trash Enclosures, of the City's Zoning Ordinance, regarding a reduction in the time frame in which a trash enclosure is to be installed upon written notification from the City.

Executive Summary:

The City's Zoning Ordinance presently identifies that when a property owner of an existing developed property receives notification of a violation regarding trash enclosures that they shall have one year from the date of notification to install a trash enclosure. This one-year time frame has proven to be problematic and it is recommended to be reduced to 60-days to allow for more effective management and implementation of trash enclosure requirements.

BACKGROUND:

The City's Zoning Ordinance presently provides that when an owner of an existing developed property receives notification of a violation regarding a trash enclosure that they shall have one year from the date of notification to install a trash enclosure.

This one-year time frame has proven to be problematic from the standpoint that those that have been notified wait until the end of the year period to commence addressing the matter. Or, after a year the matter is often forgotten. Additionally, for those notices that are issued based on a complaint, the complainant becomes very frustrated when no results occur for a very long period of time.

Additionally, the installation of a trash enclosure on previously improved properties can be a challenge, as not all improved properties can adequately address a trash enclosure without the loss of required landscaping, parking or other improvements.

ANALYSIS:

As a result of the above matters, the Code Enforcement Division has requested that this provision of the Zoning Ordinance be modified to reduce the time frame. Additionally, as some sites

require some creative solutions to adequately address the implementation of a trash enclosure, language is proposed to allow the City Planner to work towards solutions. Therefore, Section 19.16.05.01 of Chapter 19.16 "Screening of Outdoors Storage and Trash Enclosures" of the Zoning Ordinance is recommended to be amended as follows:

"19.16.05.01 For trash enclosures: ~~One year from the date of official notification of a violation except:~~

- ~~a) When a complete change of occupancy or use occurs, this requirement shall be a part of any permit approval; and~~
- ~~b) All new buildings shall comply as a condition of occupancy, and~~
- ~~c) When a building permit is issued for remodeling or additions with a valuation of three thousand dollars or more, the trash enclosures may be required."~~

Persons to whom written notification has been provided of the provisions of this Chapter related to trash enclosures requirements shall be provided thirty days from the issuance of said notice in which to submit plans to the City for a building permit to construct a conforming trash enclosure. Construction of a conforming trash enclosure shall be completed within thirty days of the date of issuance of said building permit. If the property cannot accommodate a conforming trash enclosure, an equivalent improvement shall be provided as determined by the City Planner."

ENVIRONMENTAL REVIEW

The proposed amendment is not a "project" and is thereby exempt from the California Environmental Quality Act.

FISCAL IMPACT:

None.

ALTERNATIVE:

Deny the request and continue to allow a one year time frame for notified property owners to install a trash enclosure.

ATTACHMENTS

- 1) Ordinance - Zoning Ordinance Amendment 01-208
- 2) Public Hearing Notice

ORDINANCE NO. 01-

ZONING ORDINANCE AMENDMENT 01-208

A ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY, CALIFORNIA APPROVING AN AMENDMENT TO CHAPTER 19.16 "SCREENING OF OUTDOOR STORAGE AND TRASH ENCLOSURES" OF THE CATHEDRAL CITY ZONING ORDINANCE BY REDUCING THE TIME IN WHICH TO CONSTRUCT A CONFORMING STRUCTURE UPON WRITTEN NOTIFICATION OF THE CITY'S TRASH ENCLOSURE REGULATIONS

WHEREAS, an application to the City of Cathedral City, California, for approval of Zoning Ordinance Amendment 01-208 under the provisions of the Cathedral City Municipal Code and Zoning Ordinance was initiated by the City of Cathedral City; and

WHEREAS, said application has been submitted to the City's Planning Commission for recommendation after a properly noticed public hearing was held on October 3, 2001; and

WHEREAS, said application has been submitted to the City's City Council for recommendation after a properly noticed public hearing was held on October 24, 2001; and

WHEREAS, the request is to reduce the time in which to construct a trash enclosure upon written notification of the City; and

WHEREAS, the City of Cathedral City acting as Lead Agency has determined that the requested Zoning Ordinance Amendment 01-208 is exempt from the California Environmental Quality Act; and

Section 1. The Planning Commission considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the Planning Commission by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 2. The City Council considered all of the evidence submitted into the administrative record, which includes, but is not limited to: a) the Staff Report prepared for the City Council by the City Planner; b) the staff presentation; c) public comments, both written and oral, received and/or submitted at, or prior to, the public hearing/meeting supporting and/or opposing the staff recommendation; and, d) testimony and/or comments from the applicant and its representatives submitted to the City in both written and oral form at, or prior to, the public hearing/meeting.

Section 3. Based on the foregoing evidence the City Council finds that:

- a) The proposed zoning ordinance amendment is in conformity with the General Plan.

The proposed Zoning Ordinance Amendment will provide more efficient implementation of bringing non-conforming properties into conformance with City's objectives to minimize public nuisances.



b) The proposed zoning ordinance amendment is necessary and proper at this time, and is not likely to be detrimental to the adjacent property or residents.

The Zoning Ordinance Amendment text will provide a reasonable time frame for notified property owners to bring their property into conformance with the City's regulations with regard to trash enclosures.

NOW, THEREFORE, LET IT BE RESOVLED that the City Council of the City of Cathedral City does find the application exempt from the California Environmental Quality Act and approves Zoning Ordinance Amendment 01-208, which amends Section 19.16.05.01 as follows:

Section 4. **AMENDMENT TO SECTION 19.16.05.01**

Section 19.16.05.01 of Chapter 19.16 "Screening of Outdoors Storage and Trash Enclosures" of the Zoning Ordinance is hereby amended as follows:

~~"19.16.05.01 For trash enclosures: One year from the date of official notification of a violation except:~~

- ~~a) When a complete change of occupancy or use occurs, this requirement shall be a part of any permit approval; and~~
- ~~b) All new buildings shall comply as a condition of occupancy, and~~
- ~~c) When a building permit is issued for remodeling or additions with a valuation of three thousand dollars or more, the trash enclosures may be required."~~

Persons to whom written notification has been provided of the provisions of this Chapter related to trash enclosures requirements shall be provided thirty days from the issuance of said notice in which to submit plans to the City for a building permit to construct a conforming trash enclosure. Construction of a conforming trash enclosure shall be completed within thirty days of the date of issuance of said building permit. If the property cannot accommodate a conforming trash enclosure, an equivalent improvement shall be provided as determined by the City Planner."

Section 5. Severability

If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining section, subsection, and clauses shall not be affected thereby.

Section 6. Repeal of Conflicting Provisions

All the provisions of the Cathedral City Municipal Code and Zoning Ordinance as heretofore adopted by the City of Cathedral City that are in conflict with the provisions of this ordinance are hereby repealed.

Section 7. Effective Date

This ordinance shall take effect thirty (30) days after its second reading by the City Council.

Section 8. Posting

The City Clerk shall within 15 days after passage of this Ordinance, cause it to be posted in at least the three (3) public places designated by resolution of the City Council; shall certify to the adoption and posting of this Ordinance; and, shall cause this Ordinance and its certification, together with proof of posting, to be entered in the Book of Ordinances of this City.

The foregoing Ordinance was approved and adopted at a meeting of the City Council held on the ____ day in the month of _____, 2001 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

George Stettler, Mayor

ATTEST:

Donna Velotta, City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO CONTENT:


Cynthia S. Kinser, City Planner



NOTICE OF PUBLIC HEARING

PROPOSAL: An amendment to Chapter 19.16 Screening of Outdoor Storage and Trash Enclosures regarding a reduction of the time frame in which to construct a conforming structure upon written notification of the City's trash enclosure regulations.

APPLICANT: City of Cathedral City

Any person interested in any listed proposal can contact the Planning Department, at 68-700 Avenida Lalo Guerrero, Cathedral City, California, during normal business hours (7:00 a.m. to 6:00 p.m., Monday through Thursday) or may telephone (760) 770-0374 for further information.

In the case of Public Hearing items, any person may also appear and be heard in support of or opposition to the project or recommendation of adoption of the Environmental Determination at the time of the Hearing. The City Council, at the Hearing or during deliberations, could approve changes or alternatives to the proposal or the environmental determination.

If you challenge any of these items in court, you may be limited to raising only those items you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the Public Hearing.

NOTE TO THE PUBLIC:

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITY ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT GLORIA CASEY, PLANNING SECRETARY, AT (760) 770-0374. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ACCOMMODATIONS TO ENSURE ACCESSIBILITY TO THIS MEETING. {28 CFR 35.104 ADA TITLE II}

**City Council Hearing
Wednesday, October 24, 2001 at 7:30 P.M.
City Council Chambers
68-700 Avenida Lalo Guerrero
Cathedral City, CA 92234**

**CITY OF CATHEDRAL CITY
CITY COUNCIL AGENDA**

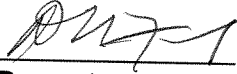
SUBJECT: Ritz Carlton Golf Course: Parcel Map PM 29719: Approval of Final Parcel Map.

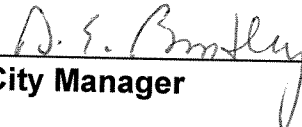
DEPARTMENT: Engineering

MEETING DATE: October 24, 2001

DEADLINE FOR ACTION: N/A

CONTACT PERSON: Dave Faessel, City Engineer

APPROVED: 
Department


City Manager


Finance

RECOMMENDATION:

That the City Council approve the final map of Parcel Map 29719, accept the dedications made to the City on the final map, and authorize execution of the performance agreement.

BACKGROUND/ANALYSIS:

The tentative map for Parcel Map 29719, located along the East Cathedral Canyon wash, was approved by the City Council in July of 2000. The tentative map consists of 11 parcels, owned by the City of Cathedral City, the Redevelopment Agency of the City of Cathedral City, and the City of Rancho Mirage. The purpose of the map is to create several parcels to facilitate the development and construction of a golf course.

The City has already executed two leases with the golf course developer covering the land to be developed. The parcels being created outside of the proposed golf course will remain vacant. Several of these, located within Rancho Mirage, have conservation easements on the parcels.

The total area within the map is 987.8 acres. The four parcels being developed as a golf course total about 157 acres.

This map divides land within both the City of Cathedral City and Rancho Mirage. Consequently, both cities must approve and sign the final map.

Final Map: The developer's (lessee's) engineer has prepared a final map, which is ready for final map approval. The land has been surveyed and the final map has been submitted and reviewed. The map is in conformance with the tentative map and with the State Subdivision Map Act. All required securities have been posted to guarantee completion of all improvements, and the developer has executed a performance agreement.

Dedications: The map dedicates easements along the channel levee for emergency access and for public services. At the Council and Agency meeting of September 10, 2001, the Council and Board authorized the dedication of the easements to the City. Staff recommends that these offers be accepted.

Conditions: A number of conditions were applied to this map and to the related Conditional Use Permit. Other conditions from various leases, development agreements, and other agreements between the various parties involved also have been applied to the approval of this map. All of these have been reviewed and those pertinent to the final map approval have been complied with.

Subdividers: The City of Cathedral City and its Redevelopment Agency are land owners in the parcel map and as such are subdividers, per the State Subdivision Map Act. At the Council and RDA meeting of September 10, 2001, the Council and Agency Board authorized their respective officers to sign this map as subdividers.

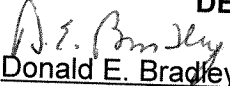
FISCAL IMPACT:

Approval and recordation of this map will allow the construction of the golf course. Construction and use of the course will initiate lease payments to the City, per the terms of the existing leases with the developer.

ATTACHMENTS:

None

**CITY OF CATHEDRAL CITY
CITY COUNCIL
AGENDA REPORT**

SUBJECT:	APPROVAL OF CATHEDRAL CITY PARTICIPATION IN PHASE 2 OF EES CONSULTING MUNICIPAL ELECTRIC UTILITY OPTIONS STUDY		
DEPARTMENT:	City Manager	MEETING DATE: October 24, 2001	
CONTACT:	Donald E. Bradley	DEADLINE FOR ACTION: N/A	
APPROVED:	<u>Donald E. Bradley</u> Department	 <u>Donald E. Bradley</u> City Manager	<u>Dudley B. Haines</u> Finance

RECOMMENDATION:

That the City Council approve Cathedral City participation in Phase 2 of the EES Consulting Municipal Electric Utility options study and authorize \$37,101 from General Fund reserves to be appropriated for Cathedral City's estimated share of the cost of the study.

BACKGROUND:

In June, the CVAG Executive Committee authorized Phase 1 of a Municipal Electric Utility Feasibility Study to be conducted by EES Consulting. That action was subsequently ratified by you at your August 22, 2001 meeting, a copy of the memo for which is attached. This resulted in a confidential report being presented to participants in September, an executive summary for which was also publicly presented and discussed at the September 24 CVAG Executive Committee meeting. This led to discussions by the Cathedral City City Council at your October 10th meeting after which it was directed that this matter be brought forward to tonight's meeting, so that the Council could determine whether you wish to participate in Phase 2 of what is now titled the Electric Utility Options Study.

Each community currently served by Southern California Edison in the Coachella Valley is currently making a similar determination. If all 8 affected agencies choose to participate, CVAG has proposed that the cost allocation could be based on a CVAG Dues Formula where Cathedral City's share of the \$250,000 total cost will be estimated at \$37,101. At the same time, it has also been suggested that these agencies may explore partnering with local water agencies or others that would help spread the costs over more participants thereby lowering Cathedral City's cost. However, the fewer cities that participate the higher Cathedral City's cost is. Therefore, the question at this point is does Cathedral City wish to participate at the estimated cost proposed and I believe we should. By signifying a support for the next phase of the study to be completed we would be indicating an agreement with the concept. This would then allow a more detailed analysis to be performed, to answer the myriad of questions that should be addressed as well as to make a more thorough evaluation of the economic feasibility of municipalization of particular electric distribution lines, but also possibly other aspects of energy generation and delivery. Most importantly to look carefully at the benefits to local customers in terms of cost savings or service improvements, which at least as to cost savings preliminarily appears beneficial.

Attached is the Executive Summary of the report, the notes from the public briefing on the Electric Utility Options Study and the breakdown of proposed percentages for cost allocation if all eight agencies choose to participate in the \$250,000 study. Once again the study itself has been determined to be confidential in nature because of the property value and related matter material intrinsic to the report itself. However we are also again including the comments from Mary Drury representing Southern California Edison, who makes it clear the company is strongly opposed to this study proceeding.

FISCAL IMPACT:

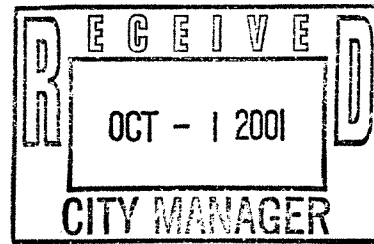
While we paid for Phase 1 from the General Government Utilities Account, we believe the cost of the Phase 2 study should come from the General Fund Reserve Account, in order to be sure we have budgeted enough to cover the rising cost of energy in this year's budget.

ATTACHMENTS:

1. October 10, 2001 Study Session Report
CVAG EES Study on Municipal Electrical Utility for SCE Jurisdictions
2. August 22, 2001 Agenda Report
Request to Ratify CC Participation in CVAG Municipal Electric Utility Feasibility Study

(TLM) DONALD BRADLEY\AGENDA REPORTS\PHASE 2 ELECTRIC UTILITY STUDY 10 24 01

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS



*Study
Session 191
Item No. 6*

October 1, 2001

To: Executive Committee, Technical Advisory Committee, and Energy & Environmental Resources Committee

From: Corky Larson

Corky

EES Study on Municipal Electrical Utility for SCE jurisdictions: Next Steps.

1. All jurisdictions received three copies of the full report through their attorney. That report contains confidential material and should be treated as such. It is anticipated that each SCE jurisdiction would discuss the matters presented in the report in closed session as appropriate.

- Gary Saleba, the lead on the study, is available for any questions. It is suggested that each jurisdiction contact him directly.
- His phone number is: (425) 452-9200
e-mail: saleba@eesconsulting.com

2. The report will come back to the Energy and Environmental Resources Committee, Technical Advisory Committee and the Executive in October.

3. Attached is a proposed assessment schedule should SCE jurisdictions wish to go ahead with the proposed second-phase study.

Please be advised that of the four firms interviewed, all indicated the need for a more in depth study. Some firms (EES was one) used a two phased approach with a preliminary study to see if further study would be warranted. Those firms which indicated a single study were in the range of what the EES two studies would cost.

Municipal Utility Feasibility Study Funding - Phase II (SCE Jurisdictions)

Proposed Percentages for Cost Allocation Based on CVAG Dues Formula

Jurisdiction		1/1/00 Population	% of Total	Assessed Value	% of Total	Total % Pop./Assess.	Adjustment to 100% for alloc.	\$250,000 Cost Allocation
Cathedral City	SCE	38,650	20.92%	1,837,460,575	8.76%	29.68%	14.84%	37,101
Desert Hot Springs	SCE	15,500	8.39%	473,724,479	2.26%	10.65%	5.32%	13,311
Indian Wells	SCE	3,560	1.93%	2,530,555,724	12.06%	13.99%	6.99%	17,486
Palm Desert	SCE	37,650	20.38%	6,450,091,099	30.74%	51.12%	25.56%	63,906
Palm Springs	SCE	43,500	23.55%	4,561,563,461	21.74%	45.29%	22.65%	56,613
Rancho Mirage	SCE	11,950	6.47%	3,414,199,280	16.27%	22.74%	11.37%	28,428
Riverside County - CVAG Boundaries (40% of total)	IID/SCE (1)	18,416	9.97%	1,239,147,603	5.91%	15.88%	7.94%	19,844
Agua Caliente Band of Cahuilla Indians	SCE (2)	15,500	8.39%	473,724,479	2.26%	10.65%	5.32%	13,311
Total		184,726	100.00%	\$20,980,466,700	100.00%	200.00%	100.00%	\$250,000

ITERIA FOR PERCENTAGES

Riverside County within CVAG Boundaries - Percentage will be calculated by using only 40% of the total population and assessment used.
 Agua Caliente Band of Cahuilla Indians - Percentage will be equivalent to the lowest percentage allocated to the cities involved.

Coachella Valley Association of Governments
Public Briefing on Electric Utility Options Study

September 24, 2001

- **Introduction and Session Objectives**
- **Study Team Participants**
 - Gary Saleba—EES Consulting, President
 - Ed Aghjayan—EES Consulting, Special Consultant
 - Dean Criddle—Orrick, Herrington & Sutcliffe, Partner
- **Purpose of the Study**
- **Background on Utilities**
 - **Functional components**
 - ✓ **Generation/commodity**
 - ✓ **Transmission/high voltage transport**
 - ✓ **Distribution/local substations, poles and wires**
 - **Deregulation in California/AB 1890**
 - **Recent events at legislature and PUC**
 - **Rate levels are raising and reliability??**
- **Study Area**
 - **Edison territory in Valley**
 - **West of Washington Street**
- **Electric Utility Options to be Considered**
 - **Municipalization of distribution system**
 - **Service to only new electrical loads**
 - **Aggregation of commodity requirements**
 - **Build/participate in generation projects**
 - **Other—legislative, regulatory, demand-side management**

Coachella Valley Association of Governments

Public Briefing on Electric Utility Options Study (cont'd)

September 24, 2001

■ Results

- **Current Edison price in Valley**

Commodity, Transmission, State Fees	9.7¢/kWh
Local Distribution	3.4
TTA/Other	1.5
10% Reduction	<u>(1.5)</u>
Total	13.1¢/kWh

- Service to new loads not cost-effective
- Aggregation/participation in new generation has longer term benefits of 10–20% of commodity charge but little if any savings in short-term
- Municipalization of distribution savings immediately of 20–30% off Edison's distribution charge or \$15–\$20/meter/month savings
- Municipalization savings come from lower borrowing costs, no federal or state income taxes, and less property taxes
- Municipalization saves Valley residents on Edison system \$25–\$40 million/year

■ Summary/Recommendations

- Municipalization of distribution system has material savings
- Municipalization also allows for local control, access to even cheaper tax-exempt financing for future capital requirements, additional opportunities for economic development, control over rate issues such as amount of baselines and possible access to inexpensive federally-generated power
- Further evaluation of municipalization of Edison's distribution system is warranted
- Aggregation and participation in new generation longer term objective unless state-imposed exit fees can be avoided

Coachella Valley Association of Governments

Public Briefing on Electric Utility Options Study (cont'd)

September 24, 2001

- **Schedule/Next Steps**
- **Questions/Answers**
- **Adjournment of Public Session**

Executive Summary

The Coachella Valley Association of Governments (CVAG) has initiated a study to determine what can be done to alleviate the growing concerns of CVAG members about the current energy crisis in California. Since power supply costs are the biggest component of a customer's electric bill, the option to change suppliers by becoming a utility or an aggregator is a major consideration. There are also inherent savings with a municipal-type structure for the distribution system due to the differences in the less cost of capital, taxation differences and not-for-profit status.

Electric service in the Valley is mostly provided by Southern California Edison (Edison) and Imperial Irrigation District (IID). Electric costs are very high in Edison's territory. The members participating in this study are from those cities whose electric services are provided by Edison -- Desert Hot Springs, Palm Springs, Cathedral City, Rancho Mirage, Palm Desert and Indian Wells, and the Aqua Caliente Tribe. It is this group that is evaluating the electric utility options, not the entire membership of CVAG. References in this document to the "New Utility" refer to one formed by the cities currently served by Edison.

The average energy load for Edison's service area within the CVAG members' boundaries is about 250 aMW. This average load compares to a total of 8,000 aMW for Edison and 25,000 aMW for the entire state. This makes the New Utility's load about 3 percent of Edison's and about 1 percent of the total for the state. The New Utility's size is also close to the 280 aMW load for the Imperial Irrigation District (IID). The average rate paid to Edison is roughly \$130/MWh or 13¢/kWh.

CVAG members have several options available to them. Options to be considered in this report cover a broad range of possibilities from deciding to keep the situation the same as it is now, to condemning Edison's system and running it as a municipally-owned utility. These options are discussed in a broad sense at this point but can be fine-tuned once a more definite direction is selected. Options discussed in this report include:

- Municipalization (Negotiated or Condemnation)
- Formation of a New Utility to Serve New Customers/Load Growth Only
- Aggregation of CVAG Member Loads and/or Constituent Loads
- Participation in New Generation Developed in the Valley
- Other Options—Legislative, Regulatory and Demand Side Management (Conservation)

Based on the options identified, a preliminary economic evaluation was performed to determine the potential savings to CVAG members under each option. This preliminary evaluation is

intended to provide broad direction in terms of going forward with a change in the current full electric service from Edison. All information in this study was taken from public documents or other information provided by the CVAG members.

In general, the economic benefits from the various options will depend on a great many issues that currently cannot be known with certainty. For example, market prices for power supply have proven to be highly volatile and unpredictable, there are dozens of legislative bills pending that could impact the study's conclusions, and the ultimate status of Edison's financial future is unknown at this time. For these reasons, the study results are presented in terms of ranges.

In summary, the economic, legal and operational reviews of all options available to the CVAG members served by Edison indicate several actions may be prudent. First, municipalization of the Edison distribution function within the Valley is cost-effective. The distribution function can be undertaken by a municipal utility at a savings of 20 to 25 percent over Edison's rate for the distribution function. Secondly, local generation and/or aggregation of Valley loads could save another 10 to 25 percent off Edison's current power supply charges if state-imposed exit fees are not accessed. Finally, the municipalization of Edison's distribution function would save Valley residents between \$15 – \$50 million annually in lower power bills, provide for local control over such matters as the baseline allocation amount and provide additional opportunities for local economic development. These savings are primarily a function of a municipality's lower cost of money, favorable income tax treatment and non-profit status.

The following provides a more detailed comparison of the options in terms of economics and other factors.

- **Municipalization—Negotiated or Condemnation.** In the event of a negotiated sale of the system to a New Utility or exercise of eminent domain powers, savings for the distribution of power is in the range of about \$7 to \$9 per MWh. These hard savings are in addition to the benefits associated with local control, access to tax-exempt financing, additional opportunities for economic development and control over rate issues such as the baseline amount.
- **New Utility to Service Only New Loads.** If a New Utility is formed to serve only new customer growth in the Valley, costs for distribution of power will be higher than Edison in the early years by as much as \$15 per MWh. Over the longer run, savings of about \$2 per MWh are expected. The benefits of a municipal utility in this case would apply only to new customers.
- **Aggregation.** Savings from aggregation accrue only to the power supply component of the rate. The distribution function would still be provided by Edison. If stranded costs can be avoided, savings of about \$10 per MWh can be achieved through aggregation. This is about 10 percent savings over Edison's power supply rate component. Savings may also be offset by stranded costs under aggregation, and in fact, the legislature may disallow aggregation entirely in the future.
- **New Generation.** Participating in new generation projects has the potential to save as much as 10 percent in the early years, and 25 percent over the long term when compared to market

price projections. Savings for options other than taking project output may be more or less than this, depending on negotiations.

In developing a recommendation for CVAG members, economics, organizational options, legislative status and other issues are all important factors. Because of the uncertainty in data for Edison assets at this time plus the large impacts on rates from legislation that is yet to be resolved, it is difficult to predict accurate savings under any option at this time. We do, however, have a broad understanding of savings that can occur under different options. Because there are many legislative issues that will have a large impact on electric bills, with and without municipalization, there may be opportunities to affect that legislation to receive a favorable outcome. At the same time, there may be unique windows of opportunity as new generation is built in the Valley, and as Edison is working out solutions to its financial difficulties.

Given the pros and cons of the various options considered, it is recommended that CVAG members:

- Pursue the municipalization of the Edison distribution system.
- Pursue aggregation and/or participation in new generation if all or part of the state-imposed exit fees can be avoided.

These recommendations are not made lightly. The task of acquiring Edison's distribution functions may not be simple or quick. A certain amount of risk is inherent in any transaction of this nature and size; however, the potential benefits of acquiring Edison's distribution function for the Valley residents appears to be large enough to justify municipalization. The savings noted in this study are certainly material but in the longer-term, additional savings are likely.

The 25 to 30 percent savings on the wires component or roughly 10 percent on the total bill are hard savings that are available immediately under municipalization. In the future, additional benefits and savings will accrue due to a municipal utility's access to low cost federal power, tax-exempt financing, preferable tax treatment, not-for-profit status and control over rate setting. These future benefits are already realized by existing customers of municipal systems in southern California where their current rates are 30 to 40 percent less than Edison's.

**STATEMENT TO COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS:
JOINT MEETING OF EXECUTIVE COMMITTEE & AND ENERGY AND
ENVIRONMENT COMMITTEE
September 24, 2001**

My name is Mary Drury, Public Affairs Project Manager for Southern California Edison. I appreciate the opportunity to speak before you tonight.

Southern California Edison recognizes the wholesale marketplace for the purchase of electricity has been dysfunctional. Unfortunately, this dysfunction has created retail uncertainty for customers of many utilities – investor-owned as well as some municipal utilities. We understand cities or JPAs such as CVAG feel an obligation to their constituents to try to find alternatives to this market dysfunction.

However, in seeking alternatives, it is imperative that sound economic feasibility studies based on fact – not assumptions – are done. This investigation and the studies, from the beginning, must be done with public disclosure of all reports and opportunities for public hearings where all parties as well as consumers are privy to the same information.

Your release of only the executive summary of the EES consulting report only provides a broad brush of assumptions and conclusions and cannot be adequately responded to for factual and direct information that will be critical to your making an informed decision. There can be no meaningful public debate on this enormously important and potentially fateful course of action unless the full report is released and comments on it are entertained.

Our initial reaction to the executive summary is one of disappointment and concern. Concern because the executive summary provides little in the way of specific criteria, methodology or actual facts that are extremely important in making a decision of this magnitude. Disappointment because CVAG members seem unwilling to share their findings with the public they have been elected to serve. I am sure the residents and businesses of the Valley will want a full and complete understanding of the risks and exposure associated with such a huge undertaking.

Owning and operating a municipal electric system is a costly gamble for CVAG members, the Valley's residents and businesses. We are concerned that your study was completed in less than three months and is based on limited information. The executive summary even admits that its conclusions could be significantly impacted by a number of events remaining to be determined by the State including any exit fee responsibilities the Legislature will impose on those customers departing utility service.

In addition, we are concerned about the artificially low price your consultant's report estimates as the cost to acquire the SCE distribution system. By EES's estimates, the fair market value of the SCE system in the Valley is estimated at only \$183 million. This figure has orders of magnitude less than the actual fair market value that would have to be paid if Valley cities were to prevail in the multiple eminent domain lawsuits that would have to be filed and won for this plan to go forward. In 1994, the City of Palm Springs evaluated the potential takeover of the SCE system. At that time, the respected industry consulting firm,

CH2M HILL, valued SCE's facilities and land in Palm Springs alone at more than \$112 million. Merely extrapolating this figure to all cities in SCE's territory in the Valley put the value at more than \$350 million. And, this is only part of such an undertaking.

None of the estimated costs, however, include additional costs such as system separation, debt service, legal fees, closing costs, start-up and administrative severance costs. All of these added costs would likely be well over an additional \$100 million for a total estimated cost of \$450 million.

Will the cities in the Valley be in a position to obtain private financing, paying the debt service, for over \$450 million? As a note, private financing must be obtained because IRS tax code states tax-exempt financing cannot be used to take-over an existing system.

Furthermore, the report admits that it cannot presently address significant contingencies such as exit fees that the State will charge for power costs already incurred.

We recognize tonight's action would be only the first of many steps that will have to be taken if CVAG determines the need to consider this course of action. SCE has stated before and will say again: the SCE system is not for sale.

We have also stated and will continue to state the offer of our expertise and understanding of the electrical energy market to assist local communities in evaluating their energy options including possible community aggregation.

In light of the magnitude of this potential undertaking and its potential impact on SCE's customers, residents and businesses of the Valley, the full EES report be should made public and SCE be permitted to comment on it.

I will be happy to provide the CH2MHILL report to any CVAG member who would like a copy and to answer any questions you might have.

Thank you again for the opportunity to speak to you.

Media Statements

Coachella Valley Association of Governments' Municipal Electric Utility Feasibility Study

According to Mary Drury, Public Affairs Project Manager, Southern California Edison...

- Southern California Edison (SCE) acknowledges the right of the Coachella Valley Association of Governments (CVAG) to explore the feasibility of municipalization. In fact, SCE wants to participate in that evaluation process and has a lot to offer to it. We applaud CVAG for not rushing into a decision. We just want to ensure that the process is fair, open and protects the public interest.

The creation and operation of a new municipal electric utility does nothing to address the real problem facing California. The problem today is one of the availability and cost of the electric commodity, not the quality or cost of the distribution service that delivers that commodity to customers.

While municipalization, the creation of a new publicly owned utility system through a litigated taking of SCE's own facilities may sound like a win-win proposition at first for CVAG and its constituents, it is loaded with complexity and long-term downside risks.

In light of the magnitude of this potential undertaking and its potential impact of SCE's customers, the residents and businesses of the Valley, we request we be made an active part of the CVAG evaluation process and that the full detailed EES Consultant's report - not merely inconclusive and assumption-heavy executive summary - be made public and SCE be permitted to comment on it.

- We also believe that many of SCE's customers, including the citizens throughout the Valley would want to participate in this process.
- We believe the consultant's report vastly understates the costs to customers and taxpayers of taking over SCE's facilities. We are concerned about the unrealistically low cost estimate of only \$183 million CVAG's consultant's report suggests as the cost to acquire the SCE distribution system in the Valley.
- History bears us out. When the City of Palm Springs evaluated the potential takeover of the SCE system back in 1994. SCE's consultant, respected industry expert, CH2M Hill valued SCE's facilities and land in Palm Springs alone to be more than \$112 million. Extrapolating this figure to all cities in SCE's territory in the Valley, a more realistic estimate would be more than \$350 million.

- Even this estimated facilities cost, however, does not include the additional costs such as system separation, debt service, legal fees, closing costs, start up and administrative severance costs, all which would likely be well over an additional \$100 million that would be required to establish this new system.
- Once all of the costs are finally determined and are translated into the electric rates customers in the Valley would have to pay, will municipalization actually offer benefits to customers in the Coachella Valley?

Will the cities in the Valley be in a position to obtain private financing plus pay the debt service for more than \$450 million? Could they issue tax-exempt financing to cover the amount of the judgment a court would enter if the cities prevail in their eminent domain litigation against SCE?

- Owning and operating a municipal electric system is a costly gamble for CVAG members, the Valley's residents and businesses. This complex and expensive activity includes costs far beyond the mere initial purchase price of the facilities. Such costs in this process include, but are not limited to:

- **Purchase Price** - SCE's Coachella Valley facilities will have a purchase price in excess of several hundred million dollars at the fair market value CVAG members would have to pay.
- **Severance Costs** - SCE's electric system is an integrated whole that is not constructed in a modular, city-by-city basis. CVAG members can not simply unplug SCE's facilities and operate them separately. "Severance" is the costly process of isolating the newly acquired SCE facilities from the previously integrated SCE system in order to operate them as a separate municipal utility. This expensive process requires the reconfiguring facilities on both the CVAG and the utility's side of the cuts.

In addition, the formation of the new municipal utility requires the installation of new and updated equipment and facilities to replace utility equipment that is necessary for reliable system operation but would not be included with the acquired facilities. This new equipment includes control systems and other utility equipment located outside the boundaries of the new municipal system. SCE's service to the Coachella Valley is so reliable because of significant redundant backup facilities located outside the Valley's boundaries.

- **Start-Up Costs** - Once the acquired system is severed, the new operator must initiated start up, which will require the purchase, installation and construction of needed operating facilities not included in the acquired system. Finally, a new municipal utility would be required to fully staff a new municipal operating department.

- **Cost of Capital** – The purchase price, severance costs, start-up costs, and other costs mentioned above would require significant funds, which must be financed. The long-term cost of capital (carrying costs, interest, bond offering costs, etc.) spread over the life of the financing instrument such as bonds, will be significant.
 - **New Capital Costs** – CVAG will have to develop a steady stream of new capital in addition to purchase price/startup costs to ensure that the municipal utility has the means to meet contingencies and operating issues. While it is possible that some of this capital will be met through depreciation, the need to acquire new capital to operate, maintain and expand the system is likely.

The long-term debt that CVAG members will have to incur will be substantial and will result in significant long-term carrying and depreciation costs. SCE believes CVAG members will not be able to provide the levels of O&M, undergrounding, and maintenance support currently enjoyed by Valley energy customers and still meet its financial responsibilities without increasing electric rates. CVAG must address *all* of the true costs of establishing a new municipal utility, not just merely the cost of acquiring SCE's facilities before committing significant time and taxpayer funds.

- A CVAG member-owned system could put service reliability at risk.

SCE has a track record as one of the most reliable electric providers in the country. SCE's reliability record would be hard to achieve. When the lights go out, you will no longer be able to call SCE.

- A CVAG member-owned system could result in higher taxes and higher rates.

Government takeover of your electric system does not guarantee lower rates for Coachella Valley residents and businesses. Attempting to go into the electric business could require CVAG members to generate new revenues through rate and/or tax increases to the customers.

- There is substantial risk to industrial and commercial customers.

Municipal utilities typically charge higher rates to their industrial and commercial customers and use these sources to subsidize residential customers. Higher rates for businesses are bad for the Valley's economy.

CITY OF CATHEDRAL CITY AGENDA REPORT

SUBJECT: REQUEST TO RATIFY CATHEDRAL CITY PARTICIPATION IN CVAG MUNICIPAL ELECTRIC UTILITY FEASIBILITY STUDY AND TO APPROPRIATE \$6,678 FROM GENERAL GOVERNMENT UTILITIES ACCOUNT (ACCOUNT NO. 100-911-8501) TO PAY FOR CATHEDRAL CITY'S FAIR SHARE OF THE COST OF THE STUDY

DEPARTMENT: City Manager
CONTACT: Donald E. Bradley

MEETING DATE: August 22, 2001
DEADLINE FOR ACTION: N/A

APPROVED: Donald Bradley
Department

Donald Bradley
City Manager

Dudley Haines
Finance

RECOMMENDATION:

Ratify and approve action of Mayor Stettler at the June 25, 2001 CVAG Executive Committee to approve Cathedral City participation in the CVAG Municipal Electric Utility Feasibility Study by appropriating \$6,678 from the general government utilities account (account no. 100-911-8501).

BACKGROUND:

Energy is a subject paramount to all in California. Toward that end, CVAG contracted with Kay Hazen to present options that CVAG and its various committees could consider taking. The option selected by a Task Force who worked with Ms. Hazen was to recommend that EES Consulting be engaged to complete an electric municipalization feasibility study for a not to exceed fee of \$85,000 and that the consultant's fee be paid for by CVAG jurisdictions per a recommended schedule. Attached is the Task Force recommendation, the minutes of the June 25, 2001 Executive Committee action and a June 26, 2001 CVAG memo reporting these actions. You will note that an additional \$5,000 was also approved to cover a portion of the consulting fees of Kay Hazen.

When this action was taken and subsequent memo sent out by CVAG inviting participation, I directed that Tony Barton be designated to represent Cathedral City on the Staff Resources Group. He has been actively involved and can provide a status report of the efforts of this committee.

However, through oversight on my part, I neglected to bring this item forward for ratification by the City Council and it is for that reason that is now presented to you for your action. We believe that while the source of funds for our participation could come from general

fund unappropriated fund balance or from general government professional and technical services, it best would be appropriated from the general government utilities account to be considered as a cost of providing electric utilities to the City. I also believe that this expenditure is justified so that we can be a part of a joint effort to explore whether it is in the public interest to consider a change from Southern California Edison to a municipal service or other alternatives short of full municipalization.

FISCAL IMPACT:

The general government utilities account budget of \$398,000 would be reduced by \$6,678.

ATTACHMENTS:

- ① Task Force recommendation
- ② Minutes of the June 25, 2001 Executive Committee action
- ③ Memo from CVAG dated June 26, 2001 reporting the actions

(TLM) DONALD BRADLEY\AGENDA REPORTS\CVAG MUNI ELEC UTIL 08 22 01

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

Electric Municipalization Feasibility Study Task Force Recommendation

June 25, 2001

That CVAG engage EES Consulting to complete an electric municipalization feasibility study for a not-to-exceed fee of \$85,000, including any and all out-of-pocket expenses, and authorize the CVAG Executive Director to sign the contract; and that the consultant's fee be paid by CVAG jurisdictions as per the attached schedule; and that the contract contain the following provisions:

Scope of Work:

Organizational/Governance Issues

1. Identify and evaluate options related to organizational/governance structural issues including advantages, disadvantages and implications of California law and regulatory environment.
2. Recommend preferred alternative(s).
3. Design a set of equitable governance features for selected alternative(s), including potential equitable financing mechanisms for individual jurisdictions. Include discussion of potential political considerations, such as achieving public buy-in and possible election requirements.

Preliminary Financial Feasibility

1. Complete a 10-year forecast of retail rates under continued service from Edison versus retail rates under municipalization.
2. Determine access opportunities to local power generation and recommend course of action.
3. Prepare a comparison and recommendation of whether a proposed transaction would be in the public interest.

Critical Path

1. Prepare a critical path to proceed toward full municipalization including detailed next steps and timeline.
2. Present recommendations, including cost estimates and levels of risk, regarding options and alternatives short of full municipalization that would increase local control, stabilize long-term rates, and enhance reliability. Include discussion of potential political considerations, such as achieving public buy-in and possible election requirements.

Timeline:

It is expected that the consultant will complete the scope of work and deliver a final report for consideration within two months from date of engagement.

Project Team Leaders:

CVAG Task Force recommends the final contract mandate that the primary project leaders be Edward Aghjayan, Special Consultant to EES Consulting and Gary Saleba, EES President.

Off-ramp:

The final contract will include language that allows CVAG to end the engagement at any time and with no financial penalties.

Additional Recommendation:

That the Executive Committee approve assemblage of a Resource Group comprised of a staff member from each CVAG jurisdiction served by Southern California Edison and any

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

IT WAS MOVED
TO APPROVE THE
OF LAND MAINTENANCE
AMOUNT OF \$100,000
FUNDING FOR
FUNDS. THE MOTION CARRIED.

Post-It® Fax Note	7671	Date	8/15	# of pages	1
To	Teri	From	Wanda		
Co./Dept.		Co.			
Phone #		Phone #	346-1127		
Fax #	770-6294	Fax #			

PRO TEM GODFREY
BETWEEN THE BUREAU
OF SHARING IN THE
ON THE CVM SHCP.
PLANNING GRANT

12.2 Consultant Selection for Municipal Electric Utility Feasibility Study

Kay Hazen distributed the Electric Municipalization Feasibility Study Task Force Recommendation. Interviews of consultants took place on June 22, 2001. The Task Force recommended entering into contract with EES Consulting to complete the feasibility study for an amount not to exceed \$85,000. Ms. Hazen reported on the scope of work which includes the issues of organization and governance, the preliminary financial feasibility, and the critical path of municipalization.

The time line of the study involves the consultant delivering a final report for consideration within two months of engagement. The contract would include a termination option.

A discussion ensued regarding the assessment to CVAG members to pay for the study. Mrs. Larson reported that the jurisdictions falling in the Imperial Irrigation District would not be assessed. CVAG reserves would pay for half of the amount of the study. The jurisdictions falling in the areas managed by Southern California Edison would be assessed similarly to the CVAG membership dues calculated according to population and assessment values. It was also discussed as to whether to consider a \$90,000 figure, rather than \$85,000 in order to cover a portion of the consulting fees of Kay Hazen. Members decided to take the issues of selecting a consultant and the amount of the contract under separate motions.

IT WAS MOVED BY MAYOR WEYUKER AND SECONDED BY SUPERVISOR WILSON TO ENGAGE EES CONSULTING TO COMPLETE AN ELECTRIC MUNICIPALIZATION STUDY; AUTHORIZE THE CVAG EXECUTIVE DIRECTOR TO SIGN THE CONTRACT; AND APPROVE ASSEMBLAGE OF A RESOURCE GROUP COMPRISED OF A STAFF MEMBER FROM EACH CVAG JURISDICTION SERVED BY SOUTHERN CALIFORNIA EDISON AND ANY CVAG JURISDICTIONS SERVED BY IMPERIAL IRRIGATION DISTRICT THAT DESIRE TO PARTICIPATE. THE MOTION CARRIED WITHOUT DISSENT.

IT WAS MOVED BY MAYOR WEYUKER AND SECONDED BY COUNCILMEMBER HODGES TO USE THE \$90,000 FIGURE IN ORDER TO RE-COUP THE \$5,000 OF THE KAY HAZEN CONTRACT. THE MOTION CARRIED. (Cities of Indian Wells, Indio, and La Quinta voted no.)

Ms. Hazen distributed information on proposed state legislation regarding the energy crisis that may be of interest to members of the Committee. Mrs. Hazen also thanked the Executive Committee for allowing her to work with CVAG on this important issue. Mrs. Larson reported that Ms. Hazen would be coming back to assist CVAG in evaluating the study as part of her existing contract.

Executive Committee Minutes June 25, 2001

COACHELLA VALLEY ASSOC

To	Don Bradley	From	Roz Smi
Co/Dept.	Cathedral City	Co	CVAG
Phone #		Phone #	346-1127
Fax #	770-2399	Fax #	

Brad - Here are items related to utility feasibility study assem

CVAG MEMO

June 26, 2001

TO: Donald Bradley, Cathedral City
Joe Guzzetta, Desert Hot Springs
George Watts, Indian Wells
Carlos Ortega, Palm Desert
David Ready, Palm Springs
Patrick Pratt, Rancho Mirage
Michael O'Connor, Riverside County
Thomas Davis, Agua Caliente Band of Cahuilla Indians

FROM: Rosalind Smith, CVAG

**RE: Assessment for Municipal Electric Utility Feasibility Study
and Appointment of Staff Member to Resource Group**

As you know, the Executive Committee at its June 25 meeting approved the consultant-selection committee's recommendation(see attached) of EES Consulting (Bellevue, Washington) to perform the feasibility study on forming a municipal utility for the Coachella Valley areas served by Southern California Edison.

The committee also approved a \$90,000 assessment schedule for CVAG's jurisdictions served by Edison to pay the consultant's fee and offset some of CVAG's costs. Please see the attached schedule for the amount of your jurisdiction's assessment and forward a check in that amount to CVAG.

In addition, the committee approved the assemblage of a Resource Group of jurisdictional staff to work with CVAG and the consultant in obtaining necessary data and records for completion of the study. The Resource Group will meet periodically to be updated on the study's progress and, in conjunction with CVAG staff, will assist in providing information and assistance to the consultant.

CVAG staff is proposing that the Resource Group be formed of city managers or their designees from SCE jurisdictions. So that we can stay within the project timeline, which calls for the consultant to deliver the draft study around Labor Day, please inform Rosalind Smith at CVAG by Friday, June 29 who will represent your jurisdiction on the Resource Group.

Thanks for your assistance.

Municipal Utility Feasibility Study Funding Options

Determination of Percentages for Cost Allocation

Jurisdiction		1/1/00 Population	% of Total	Assessed Value	% of Total	Total % Pop./Assess.	Adjustment to 50% for alloc.
Blythe	IID	0	0.00%	0	0.00%	0.00%	0.00%
Cathedral City	SCE	38,650	20.92%	1,837,460,575	8.76%	29.68%	7.42%
Coachella	IID	0	0.00%	0	0.00%	0.00%	0.00%
Desert Hot Springs	SCE	15,500	8.39%	473,724,479	2.26%	10.65%	2.66%
Indian Wells	SCE	3,560	1.93%	2,530,555,724	12.06%	13.99%	3.50%
Indio	IID	0	0.00%	0	0.00%	0.00%	0.00%
La Quinta	IID	0	0.00%	0	0.00%	0.00%	0.00%
Palm Desert	SCE	37,650	20.38%	6,450,091,099	30.74%	51.12%	12.78%
Palm Springs	SCE	43,500	23.55%	4,561,563,461	21.74%	45.29%	11.32%
Rancho Mirage	SCE	11,950	6.47%	3,414,199,280	16.27%	22.74%	5.69%
Riverside Cnty-CVAG Boundaries (40% of total)	IID/SCE	18,416	9.97%	1,239,147,603	5.91%	15.88%	3.97%
Agua Caliente Band of Cahuilla Indians	SCE	15,500	8.39%	473,724,479	2.26%	10.65%	2.66%
Cabazon Band of Mission Indians	IID	0	0.00%	0	0.00%	0.00%	0.00%
Torres Martinez Desert Cahuilla Indians	IID	0	0.00%	0	0.00%	0.00%	0.00%
Total		184,726	100.00%	\$20,980,466,700	100.00%	200.00%	50.00%

CRITERIA FOR PERCENTAGES

- 1) Population and Assessment Values extracted from CVAG's Budget calculation for Membership Dues Assessment.
- 2) Edison Based Cities - Percentage of contribution will be based on CVAG's percentages for Annual Dues Assessment.
- 3) IID Based Cities - No contribution.
- 4) Agua Caliente Band of Cahuilla Indians - Percentage will be equivalent to the lowest percentage allocated to the cities involved.
- 5) Riverside County within CVAG Boundaries - Percentage will be calculated by using only 40% of the total population and assessment used.

Contributions for Electrical Project

Jurisdiction	Applied %	Cost Allocated to the Respective Jurisdictions
Coachella Valley Association of Governments	50.00%	\$90,000
Cathedral City	7.42%	\$42,500
Desert Hot Springs	2.66%	6,307
Indian Wells	3.50%	2,263
Palm Desert	12.78%	2,973
Palm Springs	11.32%	10,864
Rancho Mirage	5.69%	9,624
Riverside County	3.97%	4,833
Agua Caliente Band of Cahuilla Indians	2.66%	5,117
Total	100.00%	3,572
		2,396
		\$85,000
		\$90,000

**CATHEDRAL CITY
REDEVELOPMENT AGENCY
AGENDA REPORT**

SUBJECT: Memorandum of Understanding (MOU) with Alpha III Development for development of 185 affordable apartments at the west end of Avenue 33 in the Whitewater Neighborhood.

DEPARTMENT: RDA/Housing

MEETING DATE: Oct. 24, 2001

CONTACT PERSON: Moeller/Bradshaw

Deadline for Action: 11-19-01

APPROVED:


Department


Executive Director


Finance

RECOMMENDATION:

Authorize the Executive Director to execute the MOU with Alpha III, Inc. (as prepared by the City Attorney and substantially in the form of the attached draft) for the development of 185 units of family housing in Project Area Number 3, at the west end of Avenue 33.

BACKGROUND:

High-quality rental housing for working families has become increasingly hard to find in Cathedral City over the past 5 years. The limited supply has allowed the rents for market-rate housing to increase by 30% or more in the past 3 years, forcing many families to live in over-crowded conditions and to accept substandard quality in order to find housing. The problem is even more acute for working families of modest income, such as those in the service industries where the household wage-earner(s) may be earning close to minimum wages.

At the same time, construction of single family homes has surged, adding to the Agency's legal requirement for inclusionary affordable housing. The Agency is also actively engaged in the revitalization of the Downtown Area, which will require the replacement of many of the City's oldest (and most affordable) housing units. The currently-proposed zoning change which would convert most R-2 area of the Whitewater neighborhood into R-1 single family lots will eliminate approximately 800 rental units that could, otherwise, have been built as duplex or triplex units on 387 separate lots. The recent two-year moratorium on duplex construction has eliminated about 200 additional units, exacerbating the shortage of new rental housing.

In order to meet its obligations for replacement and inclusionary housing and to have maximum funding available for other types of commercial redevelopment, the Agency seeks to leverage its affordable housing set-aside funds, whenever possible, with other sources of subsidy such as Housing Revenue Bonds, Tax Credits, and co-operative partnerships with non-profit and for-profit developers.

ANALYSIS: Alpha III, Inc. has purchased 18.9 acres of vacant land, has obtained approval for \$11,635,000 in Affordable Housing Revenue Bonds, and has applied for

\$4,986,000 in Tax Credits. Deferred developer and contractor fees, incidental rents and Agency assistance will make up the balance of the \$18,800,000 budget.

The subject site of this MOU is a large parcel that extends along the Whitewater Channel from Dinah Shore Drive to about the level of Mission Indian Trail/Corral Road on the north, at the west end of Avenue 33 and parallel to Shifting Sands Trail. The unusual shape of the site makes it somewhat difficult to develop (see attached map). This MOU will serve as an interim expression of the mutual intent of the parties, leading to a full Owner Participation Agreement (OPA) by the time construction plans are finalized in spring of 2002, and allowing the Housing Bond to close on schedule on November 15, 2001 (bonding authority expires on November 19). The MOU also enables the Agency to have an influence on the design and construction of the development beyond the normal authority of the planning and building review processes. Issues that are under discussion with the developer include the possible donation of public park and recreational facilities that will be open to the neighborhood and possible development of a day-care facility within or near to the apartment complex.

Some of the 185 units are expected to be counted as replacement units for housing that has been or will be torn down during redevelopment of the downtown area. Since replacement units may be counted on a "bedroom-by-bedroom" basis, it will be advantageous to the Agency to count the larger 3 and 4 bedroom units as replacements for 3 or 4 one-bedroom houses or apartments that are torn down in the Downtown area. The anticipated rental rates for the apartments are detailed in Attachment B. Rents on 3 and 4 bedroom units will be approximately 30% to 40% below the current market rents for similar homes. Renters may have household incomes up to \$39,510 per year.

To the extent required and permitted by law, these units shall be considered as a part of the Agency's inclusionary housing requirement deficit under AB-315 and AB 1290 or as replacement units for a portion of the units that have been removed from the downtown precise plan area by redevelopment activities.

FISCAL IMPACT:

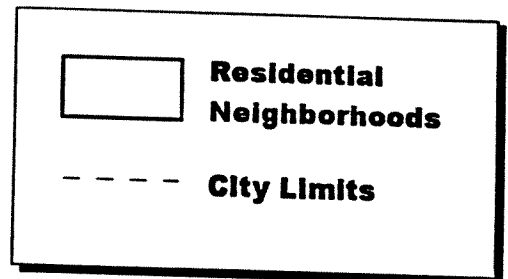
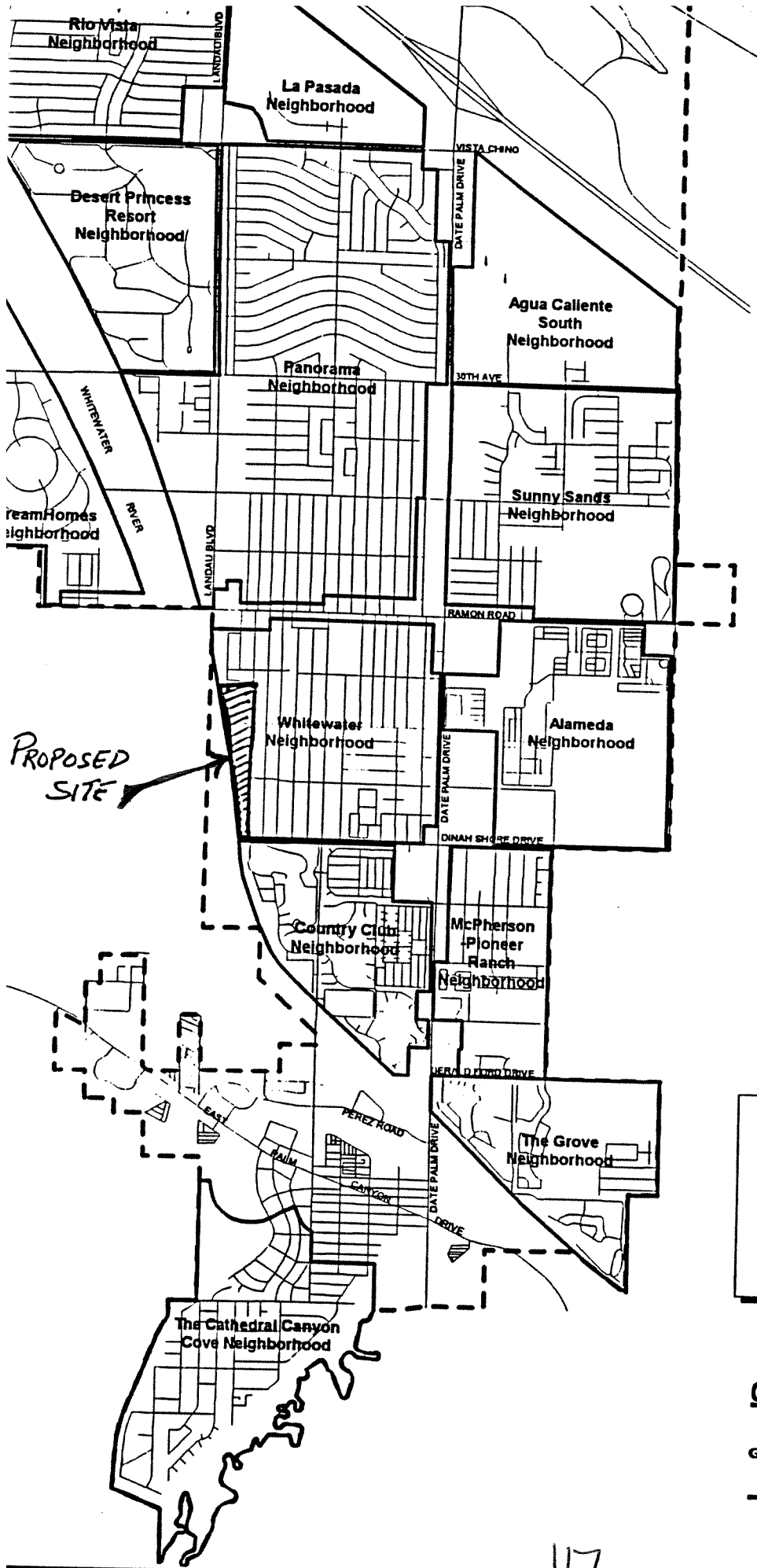
There is no fiscal impact from the execution of this MOU. It is anticipated that the MOU will lead to the future execution of an OPA which will allow the Agency to loan approximately \$400,000 (\$2,160 per unit) to the Creekside Apartments development in order to secure the Agency's credit for the inclusionary and replacement housing units.

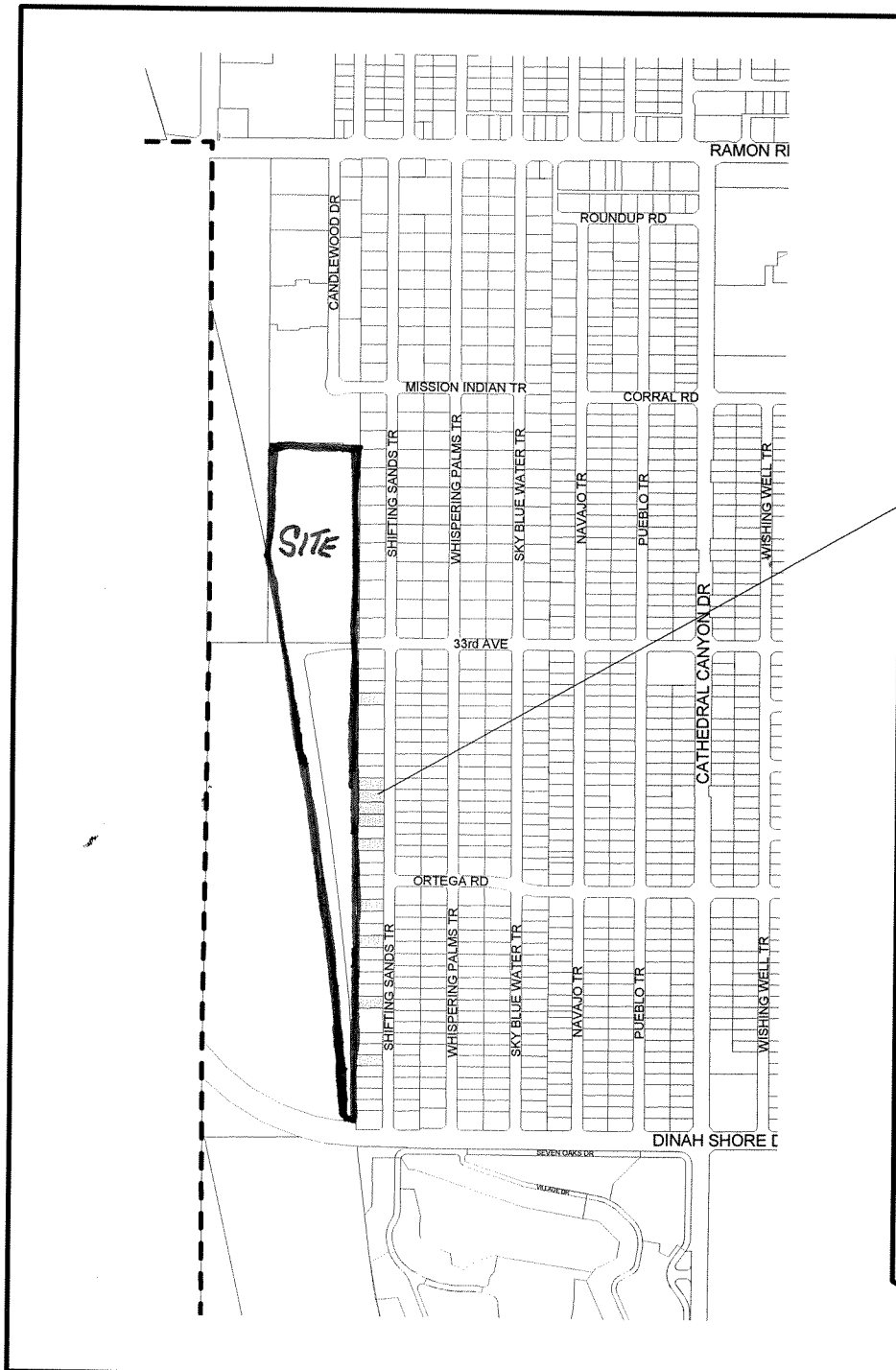
ALTERNATIVE: Do not enter into an MOU, in which case the Housing Bonds may not be able to be issued and the development may not be built or may be built in a less costly alternative form that would not provide the Agency with needed housing credits.

ATTACHMENTS:

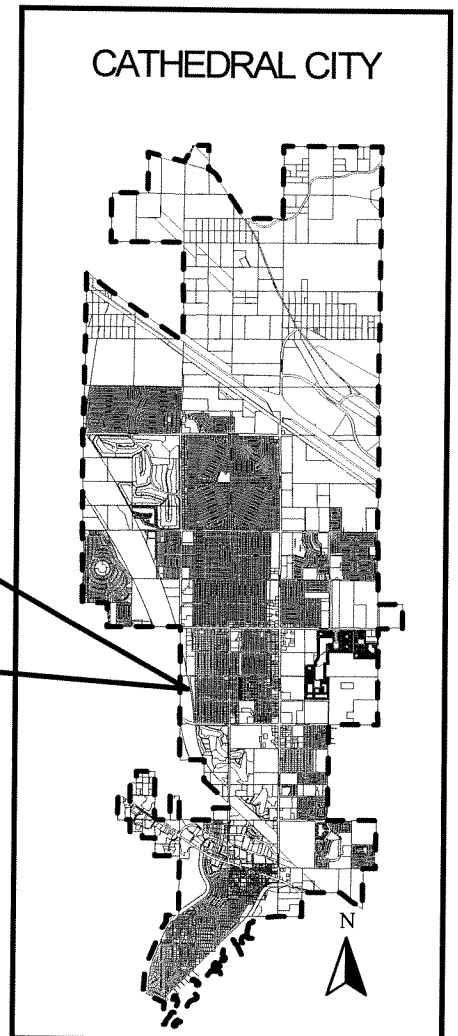
- Attachment A: Location diagram of affected property;
- Attachment B: Project description
- Attachment C: Draft Memorandum of Understanding (MOU);

Attachment A:
Neighborhood site location map.





VACANT
PROPERTY



CREEKSIDE APARTMENTS
Cathedral City, California

PROJECT SUMMARY

THE PROJECT

Creekside Apartments is a proposed 185-unit new construction project, located in Cathedral City, California at 33rd Street and Landau Avenue. The Project will be financed utilizing tax-exempt private activity bonds and is expected to receive "4%" low income housing tax credits. All of the units will be reserved for tenant households qualifying at 50% or 60% of area median income.

The proposed development will have 12-15 two story residential buildings consisting of two, three and four bedroom units with unit sizes of 850, 1020 and 1220 sf respectively.

The buildings will be of wood frame construction with a stucco exterior finish and red concrete tile roofs. Window and sliding glass doors will be of duo-glazed, set in aluminum frames. Kitchens will include garbage disposals, energy efficient appliances and frost free refrigerators. Each unit will include an individual gas-fired water heater. Exterior paint will be earth tones with additional accent features. Each unit will have a covered balcony and separate balcony as well as private entrances.

The proposed development is located on 18.97 acres, including County tax assessment parcels 680-340-004 and 680-190-022. Approximately 200 parking spaces will be provided on site. There will be covered and uncovered parking. All parking will be on asphalt covered on grade surface.

Property amenities will include a approximate 2500 sf recreation building, barbecue area, adult swimming pool, tot lot with a children's pool and sunshades surrounding the recreation area as well as general open areas for both adults and children. Two to three laundry rooms will be available on site, each with five washers and five dryers and folding tables.

The unit mix is as follows:

(a) # of Bedrooms	(b) Unit Size (sq. ft.)	(c) # of Units	(d) Proposed Monthly rent (less utilities)	(g) Monthly Rent Plus Utilities (d+f)	(h) % of Area Median Income	(i) @50% or less Units	(j) @50% or less Bedrooms
2	850	33	\$503	\$561	50%	33	66
2	850	7	\$615	\$673	60%		
3	1020	4	\$576	\$648	50%	4	12
3	1020	100	\$706	\$778	60%		
4	1220	40	\$787	\$868	60%		
Manager							
2	850	1	0	0	120%		
Total Number of Units		185	Total			37 Units	78 bedrooms

SPONSOR

The project sponsor and developer is Charles Ashley of Alpha III, Inc. (the co-general partner) and Alpha III Development, Inc. (the development entity). Ashley has significant experience in development, construction, and operation of multi-family properties throughout the State of California. Since 1980, Ashley has built approximately 2,500 housing units. Since 1996, Ashley has completed and placed in service six "9%" tax credit projects, with five additional tax credit projects with reservations and under construction. Ashley is based in Clovis, California.

AFFORDABILITY

All of the units will be affordable. Eighty-eight percent of the units (147) will be reserved for households earning less than 60% of the area median income for the Cathedral City MSA, and the remaining 12% of the units will be reserved for households earning less than 50% of the area median income.

Long-term affordability is assured for a total of 30 years by a tax credit regulatory agreement that will be recorded against the property, and by a bond regulatory agreement with a term of 55 years.

MANAGEMENT

The project will be managed by FPI, of Sacramento, which has substantial experience in the management of Section 42 properties.

FINANCING

The project will be financed by tax-exempt private activity bonds in the approximate amount of \$12,856,931, plus approximately 5,324,007 in equity from an investor in the low income housing tax credits and deferral of portion of the developer fee and general contractor fee. Low income housing tax credits will be generated on all of the housing units. The conduit bond issuer will be the California Statewide Communities Development Authority.

It is anticipated that the bonds will be credit-enhanced by Fannie Mae and thus receive a AAA rating. The bonds will be a fixed rate.

AFFORDABLE HOUSING
6/6/01

FAMILY

SR & SPECIAL NEEDS

INDIO	1023	331
PALM DESERT	1015	252
COACHELLA	900	34
PALM SPRINGS	719	288
DRT. HOT SPGS.	532	138
RANCHO MIRAGE	195	98
CATHEDRAL CITY	122	893
INDIAN WELLS	0	90

MEMORANDUM OF UNDERSTANDING

CREEKSID APARTMENTS

THIS MEMORANDUM OF UNDERSTANDING ("Agreement") is entered into as of the _____ day of _____, 2001, by and between the REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY, a public body, corporate and politic (the "Agency"), and ALPHA III, INC., a California corporation (the "Developer"), on the terms and conditions set forth below.

RECITALS

A. WHEREAS, the Agency has established a redevelopment plan known as "Project Area Number 3" within the City of Cathedral City (the "City"); and

B. WHEREAS, the Agency has the obligation and goal of fostering and developing housing in Project Area Number 3 in order to meet the housing needs of low and moderate income residents of the City; and

C. WHEREAS, the Developer is engaged in the business of developing housing and desires to consider the development of an apartment housing project, consisting generally of one hundred eighty five (185) apartments, plus amenities and parking (the "Project"), which would be made available to low and very low income residents; and

D. WHEREAS, the Project would be built on a site located in Project Area Number 3, on approximately 19 acres owned by the Developer (the "Property"), which is located at the end of Avenue 33, at the western edge of the Whitewater neighborhood of the City, as reflected on Exhibit "A" attached hereto; and

E. WHEREAS, the Project proposed by the Developer would create needed affordable housing which will meet the Agency's inclusionary and replacement housing needs; and

F. WHEREAS, the parties deem it advisable and beneficial to enter into this Agreement for the purpose of allowing the parties to mutually explore the feasibility of the Project.

NOW, THEREFORE, the parties agree as follows:

TERMS AND CONDITIONS

Section 1. Negotiations.

The Agency and the Developer hereby agree to negotiate diligently and in good faith during the Term (as defined below) in order to determine the feasibility of the Project, and, if the Project is initially determined to be feasible, to enter into an Owner Participation Agreement ("OPA") concerning the development of the Project on the Property, subject to the approval of the Board of the Agency (the "Board") and to the rules, regulations and laws governing the activities of the Agency. The Agency agrees to negotiate exclusively with the Developer, and not with any other person or entity, with regard to the Property during the Term. The exclusivity granted by the Agency in this Agreement is as to the Property, and the Agency reserves the right to engage in discussions or negotiations, or to finalize agreements, with other parties for projects, including affordable housing and/or apartment complexes, on other sites.

Section 2. Term of Agreement.

a. The term of this Agreement (the "Term") shall commence on the date set forth in the initial paragraph of this Agreement, and end at 5:00 p.m. on March 1, 2002. The parties agree that if at the end of the Term they have prepared an OPA in final form, but the OPA has not been considered by the Board, the Term will be automatically extended for the time necessary to permit the Board to consider and act upon the OPA. In such event, an action by the Board approving or disapproving the OPA will terminate this Agreement.

b. At the end of the Term, if the parties have not agreed upon the terms of an OPA to be submitted to the Board for approval, this Agreement will terminate, unless the Term is extended by mutual written agreement of the parties hereto. Such an agreement to extend will require the approval of the Board.

Section 3. Components of Negotiations.

The parties agree that the negotiations shall be conducted in accordance with the following concepts and components:

a. The Project shall be an affordable housing project, located on the Property.

b. The Project and the Property, if developed as contemplated by this Agreement, will be encumbered by (i) recorded

affordability covenants and (ii) certain redevelopment covenants, all of which will run with the land.

c. The Developer shall investigate the feasibility of the Project, considering cost, financing and housing demand, and shall provide information satisfactory to the Agency that the Project is feasible. The Developer has been awarded an allocation of Eleven Million Six Hundred Thirty-five Thousand Dollars (\$11,635,000) by the California Debt Limit Allocation Committee from the State of California Multifamily Housing Revenue Obligations, which are anticipated to be the primary source of financing for the Project. The Developer is also applying for tax credits in the amount of approximately Four Million Nine Hundred Eighty-Six Thousand Dollars (\$4,986,000)

d. The construction of the Project will commence within one hundred eighty (180) days after the closing of the bonds to be issued in connection with the allocation referenced in Section 3.c above, and the Developer will make best efforts to complete construction within twenty four (24) months after commencement of construction. In any event, construction will be completed within thirty (30) months after commencement of construction.

e. The Project will be generally developed in accordance with the Project narrative attached hereto as Exhibit "B", incorporated herein by reference. During the Term the Developer will prepare basic site and concept plans and schematics.

f. It is anticipated that the Agency will provide financial assistance to the Developer in connection with the Project. Such assistance must be approved in the OPA, but at this time is anticipated to consist of a long term loan to the Developer of up to Four Hundred Thousand Dollars (\$400,000), payable \$300,000 at the inception of the Project and the balance in equal installments over five (5) years, all without interest except in the event of a default by the Developer, and with a single balloon payment due in approximately thirty (30) years. Assistance by the Agency is dependent on the need established by the Developer's feasibility study and must be approved by the Agency.

Section 4. Reserved.

Section 5. Developer's Disclosure Obligations.

a. The Developer shall make a full disclosure to the Agency of all principals, officers, stockholders, partners, joint venturers, employees, associates and affiliates of the Developer who are participants or principals, or who have any

or the Property, or who have any ownership, beneficial or other interest of any kind in any other property or project in the City.

b. The Developer shall provide the Agency with pertinent information regarding any other contemplated sources of funds for the development of the Project, whether from commercial lenders, private parties or otherwise, and upon which the Developer will rely in planning, designing, developing or constructing the Project, as well as pertinent information regarding the anticipated bond financing.

c. The Developer will disclose to the Agency any and all other information which would reasonably bear upon or affect the decisions of the Agency or the Board in negotiating or approving the OPA, including, without limitation, any financial information concerning the Developer which would materially affect the Developer's ability to perform its obligations under this Agreement or the proposed OPA.

Section 6. Mutual Cooperation.

The parties hereto agree that they will each cooperate with the other, and shall provide such information and documentation as is reasonably necessary to fulfill the intent of this Agreement, and shall make diligent response to inquiries and requests for information from the other party.

Section 7. Environmental Compliance.

The Project is subject to the California Environmental Quality Act ("CEQA"), and nothing contained herein shall be deemed a determination by the Agency as to the impacts of the Project on the environment or a waiver of the Agency's rights and duties with respect to the review of such impacts. The Project must comply with the requirements of CEQA. The parties acknowledge that the OPA cannot be approved by the Board unless and until the requirements of CEQA are met.

Section 8. Effect of Agreement.

a. The parties acknowledge that nothing contained in this Agreement shall be deemed a covenant, promise or commitment by the Agency, the City or any other agency of the City, to enter into an OPA with the Developer on any particular terms or conditions, or to provide any form of assistance in furtherance of the Project. The Agency's execution of this Agreement is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and

approval by the Agency, the City or other City agencies to the legislative bodies thereof.

b. This Agreement is the complete and total understanding of the parties with regard to the subject matter hereof. Any changes, modifications or addendums to this Agreement must be in writing, signed by all parties and approved by the Board.

c. Nothing contained in this Agreement shall be construed to require, or have the effect of requiring, the Agency to take any action which is inconsistent with any applicable law, rule or regulation which governs the Agency's actions.

d. The parties acknowledge that the final form of any proposed OPA may have to contain matters not contemplated by this Agreement, and the provisions hereof are not intended to comprehensively identify all issues or matters which will be included within the terms of such an OPA.

Section 9. Reserved.

Section 10. Notices.

Any notice, payment or instrument required or permitted by this Agreement, or desired to be given by any party hereto, to be given or delivered to any party or other person shall be deemed to have been received: (i) on the day of delivery if personally delivered; (ii) on the day following the date such notice is sent by recognized overnight delivery service; (iii) on the date sent if sent by electronic facsimile; or (iv) on the date two (2) days after deposit in the United States mail, certified or registered mail, with postage prepaid. Notices shall be addressed as follows:

Developer:

Alpha III, Inc.
3151 Willow Avenue, #103
Clovis, California 93612

With a Copy To:

Agency:

Cathedral City Redevelopment Agency
68-700 Avenida Lalo Guerrero
Cathedral City, California 92234
Attn: Susan Moeller

With a copy to:

Green, de Bortnowsky & Quintanilla
23801 Calabasas Road
Suite 1015
Calabasas, CA 91302
Attn: Charles R. Green

Any party may change its address for delivery of notice by delivering written notice of such change to the other parties.

Section 11. Captions.

The captions to sections of this Agreement are for convenience only and are not part of this Agreement.

Section 12. Severability.

If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts shall remain in full force and effect as though such invalid or unenforceable provision had not been a part of this Agreement.

Section 13. No Third Party Beneficiaries.

The parties do not intend the benefits of this Agreement to inure to any third party, nor shall any of this Agreement be so construed.

Section 14. Discretionary Authority Reserved.

This Agreement shall not be interpreted to require the Agency, the City or any other agency of the City to exercise its discretion with respect to the Project in any predetermined manner, nor to require that the Agency or the City approve the Project, or any part thereof, or any related undertakings.

Section 15. No Joint Venture or Partnership.

Nothing contained in this Agreement shall create or be deemed to create any form of joint venture, partnership or any form of association of any kind or nature between the Agency (or the City) and the Developer.

Section 16. Hold Harmless and Indemnification.

Each of the parties shall indemnify, defend and hold harmless the other party, and its officers, employees, agents and consultants from and against any and all actions, suits, proceedings, claims, demands, losses, costs, expenses and judgments, including legal costs and reasonable attorneys' fees arising therefrom, for any injury of any type claimed as a result of any negligent or intentional act or omission of such party arising from or related to this Agreement.

Section 17. Successors and Assigns.

This Agreement may not be assigned by the Developer to any other person or entity, but shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties hereto.

Section 18. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original.

[END OF THIS PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

REDEVELOPMENT AGENCY OF THE CITY
OF CATHEDRAL CITY

Donald E. Bradley
Executive Director

Approved as to content:

Susan F. Moeller
Redevelopment Director

Approved as to form:

Agency Counsel

ALPHA III, INC.

Name: _____
Title: _____

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EXHIBIT "A"
DESCRIPTION OF PROPERTY

EXHIBIT "B"
PROJECT NARRATIVE AND DESCRIPTION

Project Description:

185 apartments (plus amenities and parking), with full-time on-site management, to be developed by Alpha III, Inc. The project is to be located on a site of approximately 19 acres located at the end of Avenue 33, at the western edge of the Whitewater neighborhood of the City of Cathedral City.

The project will be primarily financed by a bond issuance under the State of California Multifamily Housing Revenue Obligations under an allocation of \$11,635,000 approved by the California Debt Limit Advisory Committee, and by income tax credits. Rental units will be restricted to low and very low income persons. The project will provide housing that is both affordable and of the highest quality. Amenities will include community room with kitchen, swimming pool, both private and communal balconies/terraces, shaded parking, laundry facilities, hobby and meeting rooms, sports and recreational facilities, gated security and on-site management.

**CITY OF CATHEDRAL CITY
CITY COUNCIL AGENDA REPORT**

SUBJECT: Award of a Contract for Professional Services to David Taussig & Associates to Perform a Detailed City Infrastructure & Service Fee/Costs Analysis for the Area North of I-10 as outlined in the 2000-2001 CIP Project Budget at \$75,000, and Authorizing an Additional \$19,500.00 from Unencumbered CIP Funds for this Project.

DEPARTMENT: Engineering **MEETING DATE:** 24 October 2001
CONTACT PERSON: Jerry V. Jack **DEADLINE FOR ACTION:** N/A

APPROVED:   
Department City Manager Finance

RECOMMENDATION:

That Council: (1)award a contract to David Taussig & Associates in an amount of \$85,770 to perform a detailed City infrastructure & service fee/costs analysis for the area north of I-10 as outlined in the 2000-2001 CIP; (2) approve the transfer of \$ 18,250 in funds from Measure A and Gas Tax fund balances; and (3) authorize staff to issue a Purchase Order in said amount plus 10% for contract contingencies for a total encumbrance of \$93,250.00.

BACKGROUND/ANALYSIS:

Staff from all departments have for some time, and especially since the demise of the CSD, wanted to establish another funding mechanism to offset the initial and long-term costs of growth. This is most easily done on vacant properties in the form of development fees and service/impact fees. Engineering has met with all affected departments and there is unified agreement by department heads and administration, that this is a much-needed project.

The area north of I-10 is ideally suited to do a complete and detailed study, to be culminated with a series of Resolutions, Ordinances and/or Districts which would be approved by Council to establish the development impact costs and appropriate fees and installation/contribution requirements upon developers. The impacts sought to be offset include the costs of infrastructure (roads/sewers/storm drains/etc.), service costs and impacts (police/fire/parks/public works/etc.) and any other hidden, or not readily apparent impacts to be discovered, as well as the fees and costs from other overlying agencies.

The proposal amount also includes sufficient funds to expand the study to some practical extent south of I-10, at least as far as infrastructure and service impact

fees on remaining vacant parcels. The study may explore, but is not intended to cover the needs of developed properties as that scope and type of study is a different set of circumstances.

Although the study Project will be done under Engineering supervision, all departments and agencies of the City will participate and be a part of the process.

The Project will be done in parallel with the on-going General Plan, and structured to dovetail into that Plan, and perhaps be completed and adopted at or about the same time. The two Plans share many aspects and there can be some costs and plan effectiveness gained by having them done concurrently, without any negative time impacts upon either.

Staff issued an RFP to 22 firms that are capable of doing this type of project on 24 May 2001. Four proposals were received from qualified firms and interviews of all four were held on 9/18/2001. Staff interviewers included the City Planner, Senior Engineer, Traffic Manager & Police Captain. Staff chose the recommended consultant based upon the quality of the proposals and interview and expertise demonstrated by the consultants for this type of project, as well as familiarity with the Valley and the City. Cost was a factor, but not the determining factor for the choice of consultant.

Interview Rankings were as follows:

<u>Proposal Cost</u>	<u>Firm</u>	<u>Final Ranking</u>
1. David Taussig & Associates, Riverside	#1	\$101,455.00
2. Muni-Financial Services, Temecula	#2	79,500.00
3. Berryman & Henigar Assoc., San Diego	#3	74,470.00
4. Harris & Associates, Irvine	#4	56,000.00

After selecting the consultant desired based upon quality criteria, staff requested permission from the City Manager to negotiate a contract and fee with Taussig. The budgeted amounts herein represent the results of those negotiations and staff is very comfortable the City will receive a high quality project in a timely manner.

FISCAL IMPACT:

The additional moneys suggested to be used beyond what was approved in the CIP, are unencumbered funds from several sources in the 2000-2001 CIP, most of which are available due to larger than expected revenues from the fund sources for the year.

Although these funds could be used for actual improvements such as small road projects, staff feels the long term negative impacts upon the City's finances

without the proposed study would far exceed the City's ability to provide proper or even minimal services to the vacant areas as they build. Since the interchange at Date Palm will be built in the next 2-3 years and several other projects along I-10 are either in construction or planned, staff believes strongly that applications for viable projects in our north I-10 boundary are imminent. Therefore, the use of these funds for small construction projects is not the highest and best use of the moneys at this time.

Therefore it is proposed to use the following approved CIP funds:

Funds per Approved CIP:	
RDA Fund 313:	\$ 20,000
Measure "A" Fund 243:	\$ 40,000
Traffic Safety Fund 233:	\$ 15,000
Subtotal:	\$ 75,000
Plus these unencumbered funds:	
Gas Tax Fund Balance:	\$ 7,500
Measure "A" Fund Balance:	\$ 10,750
Subtotal:	\$ 18,250
Total project w/Contingencies:	\$ 93,250

OTHER ALTERNATIVES:

1. Allow development to occur and establish fees on the same "as-we-go" basis as is done today. (Not recommended)
2. Wait until the first large application north of I-10 to use that as an impetus to do the study at a later date.

ATTACHMENTS:

Copy of RFP

24 May 2001

(Consultant's Name
See List)

Re: Request for Proposal
Comprehensive City Fee Study/Analysis

Dear (?)

The City of Cathedral City is seeking consultants to perform a comprehensive fee study/analysis for the vacant area of the City, north of Interstate 10. The area is approximately 5.5 square miles, is predominantly vacant, and has various zonings and multiple size and variety of ownership, including Indian parcels and Federal/State government properties.

The study desired is very comprehensive, not easy to fully describe and should dovetail into the currently on-going City General Plan update which is scheduled for completion in late 2001. In an effort to clarify the RFP, the following Goals should be considered to fully encompass the scope of work.

Goals of the Study/Analysis

1. In 1998 the voters of Cathedral City repealed a Community Services District (CSD) which had been in place since City incorporation. This loss of revenue entailed about \$3.3 million annually and funded all or most of the City's Police Department, Parks & Recreation Department, Street Sweeping, Street Lighting and Traffic Signal Energy and some other misc. activities. *The loss of this revenue has hurt the City tremendously, and a replacement or even partial replacement needs to be found.*
2. The City has not done any form of fee study in the last 8 years, with the exception of some minor plan check fees in the Planning area. The City needs a full analysis of our current fee structure, not only as to cost/amount of fees, and meeting AB1600 criteria, but also the type, coverage and collections of the fees that do exist. *What fees are not being charged that should be, and what other types of income should we be collecting?*

3. Currently, if a potential developer comes to the City to find out what would be required of them to develop a property in the study area, City staff has to gather information from a wide variety of sources which is cumbersome and incomplete. Even then, the information available to hand out does not cover long-range costs, or specific fees or impacts, nor does our fee structure allow staff to recoup the actual costs associated with assisting the developer. *A very key goal of the RFP is to conclude with a single cohesive document to be available to staff and potential developers which would be all-inclusive of costs, fees, and development requirements in the area north of I-10.*
4. Due to the loss of the CSD, the City's service departments (Fire, Police, Parks & Recreation) are concerned about maintaining the current very high levels of service they provide to the ever-expanding population. The just released numbers for the City of Cathedral City from the 2000 census have us at 42,647 full time residents, with an estimated annual influx of another 12-15,000 seasonal residents. *The City needs to find a way to have new development pay for not only initial impacts, but the long-range costs of providing the services too.*
5. The infrastructure needs in the area of the study have been largely identified by previous reports such as the City's Master Plan of Drainage (1990) and the recordation of a large tract that identified the major street and utility needs. The Coachella Valley Water District is the sewer and water provider in the area and has plans for the area as well. *So the consultants job would be to gather all the available needs data, put together a picture of the total infrastructure needs, fill in the blanks and update the costs, then evaluate the fees or other methods of funding those infrastructure needs.*
6. There is a probability that some environmental set aside lands within the study area are going to be required by the State Fish & Game and Federal Fish & Wildlife services. There is an endangered species of lizard and its critical environment within the study zone. *The City needs to know the costs and impacts associated with this issue.*
7. The City and the Coachella Valley Association of Governments are in the design process of enlarging the existing Interstate 10/Date Palm Drive interchange which lies along the south edge of the study zone. The project is estimates at over \$12 million. *At this time, the City's full share of the costs (25%) are not funded nor do we have any vehicle in place with which to assess or collect impacts fees/costs from development. Some benefit fee or impact fee should be implemented.*
8. The consultant will be asked to meet with any/all affected agencies, constituent groups and of course the City's staff and City Council on several occasions, and ultimately present the City with a list of recommendations of how to proceed, actions to be taken and a detailed action plan, including providing the written documents to be approved and recorded. Once the Council adopts a Plan and

takes the necessary actions to implement that plan, the contract for the consultant's services will be considered to be completed. The consultant should anticipate meeting with and addressing the needs of several City departments about current and long range needs. It is not intended that specific or independent processes such as Assessment District formations be initiated in this project scope of services, although they could be recommended. But, it is intended that specific fee resolutions, development fee ordinances and any related necessary documents and processes be fully researched by and followed through with by the selected consultant.

9. For general information, Cathedral City has no citywide drainage fee or acreage charges; no bridge or thoroughfare fees other than the valley-wide CVAG/TUMF regional fee. Cathedral City does not charge park fees (Quimby Act) although it does collect park fees in 2 small areas through Specific Plan requirements. We have no sewer or water fees since the City is serviced by outside agencies. We have just initiated formation of a 1972 Act Landscape & Lighting District in several new tracts where developers are conditioned to join. Other than the above, the City has no generally accepted "impact" fees.
10. Finally, all of the above items need to be assessed (if possible) in relation to the rest of the vacant lands in the remainder of the City, south of the study area in the form of a study report subsection discussion.

Creativity in solving problems not new to any City while thoroughly exploring the tried and true methods of funding local government is the key goal of the City, the consultant and the citizens, and should be clearly understood within the scope and text of the proposal.

This RFP does not outline a specific scope of services. It is the City's desire to allow the consultants to make proposals that express a broad range of options and alternatives.

It is also our intention to evaluate the proposals received to determine if a more comprehensive RFP needs to be published in light of the knowledge gained during the review process. It is not our desire to do a 2nd RFP, but as you can readily see we are in uncharted waters here and it is prudent to keep that option open. As a result, there will be no compensation for consultants' time or materials in preparing any proposals. All proposals received will be given equal review and evaluated on the merits and applicability to our needs.

Staff believes the budget for this project as previously approved by Council is adequate, but there is opportunity for additional funds if a creative and exciting proposal approach is deemed appropriate. In no way will the consultant's proposal fee for this study be the deciding factor for consultant selection, though cost will be weighed into the selection process. Therefore we ask that you detail the total and itemized cost(s) or range of probable costs in your proposal. Alternate approaches with different costs and time

frames are encouraged to be submitted. Teaming with other or even multiple consultant firms to take advantage of specific expertise and disciplines is also acceptable.

Staff will review all proposals received, then decide how many firms to interview, though we anticipate limiting the interviews to 3 or 4 firms.

I anticipate and encourage calls or emails/faxes about this RFP. If necessary, prior to RFP submittal closing, I will issue addenda or clarification memos based upon the input and comment received by the consulting community. Any such additional information coming from the City will be disseminated in a timely manner prior to submittal deadline, or the deadline will be extended.

I will be the primary contact for the consultant during the project and act as project manager, but it must be understood that many members of City staff will be involved in the project outcomes, as well as the City Council and City Manager's office.

I look forward to reading your proposal and meeting with your firm during the final selection process. Deadline for proposal submittal is 28 June 2001 at 3PM PST. Please mail or deliver the proposals to my attention at the address below. The submittal package should include 4 bound copies of the proposal, each with an included or attached cost scope section, and identifying the key personnel who would be working on our project. It is the City's desire that once a firm is chosen the key personnel will not change during the course of the project.

Sincerely,

Jerry V. Jack
Traffic & Development
Division Manager
(760) 770-0329
(760) 202-1460 fax
jjack@cathedralcity.gov

jv/fee~rfp5/01

**REDEVELOPMENT AGENCY OF
CITY OF CATHEDRAL CITY
AGENDA REPORT**

SUBJECT: Professional Services Agreements with Mark Briggs & Associates, Inc. to assist with the preparation and submission of an Economic Development Administration grant and a Department of Housing and Urban Development Section 108 Loan/Brownfields Economic Development Initiative Grant.

DEPARTMENT: Redevelopment

MEETING DATE: October 24, 2001

DEADLINE FOR ACTION: N/A

CONTACT PERSON: Susan Moeller

APPROVED:


Redevelopment


Executive Director


Finance

RECOMMENDATION:

Ratify approval of Professional Services Agreements with Mark Briggs & Associates (MBA) to (1) prepare an Economic Development Administration grant for the BCN/Sheraton Hotel project, the cost of which would be \$23,000.00 (plus actual travel expenses not to exceed \$1,500.00); and (2) prepare a Department of Housing and Urban Development Section 108 Loan/Brownfields Economic Development Initiative Grant for the BCN/Sheraton Hotel project, the cost of which would be \$29,000.00 (plus actual travel expenses not to exceed \$800.00).

BACKGROUND:

BCN Development has proposed the development of a Sheraton Hotel on a site south of East Palm Canyon Drive between Van Fleet Street and the East Cathedral Canyon Wash. The proposal requires certain activities and an investment of an estimated \$9.4 million by the Redevelopment Agency and the City.

ANALYSIS:

Two potential funding sources have recently been identified for part of the required Redevelopment Agency/City investment for the Conference Hotel south of East Palm Canyon Drive. They are an Economic Development Agency grant (EDA)(estimated at \$2 million) and a Department of Housing and Urban

Development Section 108 Loan/Brownfields Economic Development Initiative Grant Section 108/BEDI) (estimated at \$3 million/\$450,000, respectively).

MBA has significant experience in preparing both EDA and Section 108/BEDI applications and getting them funded. Attached is a cover letter from MBA, outlining the firm's background.

The proposed Agreements are also attached to this report. The compensation for each Agreement is structured in an incremental manner so that the Agency can terminate either Agreement should it be determined that the application would not be successful.

This action was considered in the October 10, 2001, closed session meeting under property negotiations (BCN) and approved because of the timing required for submitting the EDA grant application.

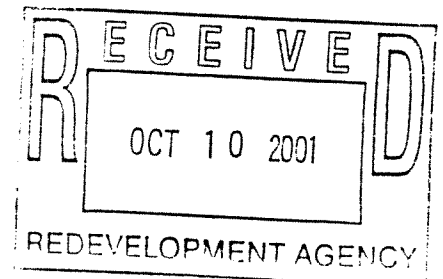
FISCAL IMPACT:

The total of the two contracts, including potential travel related expenses, is \$54,300. There are sufficient funds for these contracts in the 2001-2002 Capital Improvements Program (CIP) budgeted project for Private Assistance. There is currently \$193,066.00 in that project; \$54,300 can be transferred into the Professional Services line item in the Redevelopment Department's operating budget.



October 10, 2001

Mr. Donald E. Bradley
City Manager
City of Cathedral City
68-700 Avenue Lalo Guerrero
Cathedral City, California 92234-7031



Dear Mr. Bradley:

I appreciated the opportunity to meet with you, Susan, Keith and Paul about the various projects in Cathedral City where Federal and State funding is needed. You asked that I provide a letter with the overall background and experience of Mark Briggs & Associates, Inc. (MB&A).

MB&A provides consultant services to cities, redevelopment agencies, asset managers, developers, retailers and land owners, which focus on negotiating public assistance for projects. Development has become increasingly complicated and expensive so the need for cooperation between the public and private sectors has never been more critical. MB&A has been in existence for 27 years and early on we recognized the need for a consultant firm to provide public financing assistance. We specialize in structuring public assistance in a manner that meets the specific requirements of each project. The techniques are varied and different ones are applied depending on the project needs.

We have secured or are currently negotiating \$881 million in public assistance for over 150 "public/private partnership" projects that have, or will result in development that totals \$4.5 billion dollars.

Due to our many and varied successes, major developers, retailers and asset managers have retained Mark Briggs & Associates, Inc. to negotiate on their behalf to work out reasonable assistance programs for projects which will not "pencil" conventionally. The asset managers we have assisted include CIGNA Investments, Inc., Citicorp Real Estate, New York Life, Pritzker Retail Group, Grosvenor International and Equitable Life. Developers clients include General Growth, Donahue Schriber, Majestic Realty Company, "Magic" Johnson Enterprises, Inc., The Trammell Crow Company, Festival Management Companies, Zelman Retail Partners, Hopkins Retail Group, and Watt Commercial Properties. Property owners include Pacific Theatres Realty Corp., Syufy Enterprises, Boeing Real Estate, Del Monte Corporation and Marriott International. Retail clients include The Home Depot, Kohl's Department Store, American Stores, Wal-Mart, and Target Stores, Inc.

MARK BRIGGS & ASSOCIATES, INC.

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505 N. Tustin Ave. Suite 115 Santa Ana, CA 92701

Mr. Donald E. Bradley
October 10, 2001
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Our clients are involved in all facets of the development industry, including retail (from regional malls to neighborhood centers), industrial, manufacturing, office, hotel (new and rehabilitation), mixed use projects and downtown revitalization. We have worked on a series of hotel projects. We assisted Walton Street Capital secure funding for the Fremont Marriott Hotel and Western International for the Renaissance Hotel in Milpitas. In addition, we secured funding for the City of Huntington Beach to assist with the new Hyatt Regency Hotel and Resort going in adjacent to the existing Hilton Hotel. We have secured funding for a complex in North Hollywood that includes a sound studio, pre- and post production office space, retail and a hotel. The hotel at Plaza de la Fuentes in Pasadena received funding in part due to our efforts. We have secured funding for historic renovation of hotels including the U.S. Grant and Horton Grand hotels in San Diego and Hotel Stockton in Stockton. We are also under contract to Marriott International to provide assistance on hotels they may wish to pursue where public assistance is needed.

The staff of Mark Briggs & Associates, Inc. has worked for both government agencies, as well as the private sector. We have done work under contract to the cities and counties of Los Angeles and Riverside, and the cities of San Diego, Oakland, Sacramento, San Jose, Long Beach, Santa Ana, Riverside, Richmond, Compton, Huntington Beach, Orange, Newport Beach and Garden Grove. However, we also have worked extensively with many smaller cities including Maywood, Commerce, La Puente and East Palo Alto. For each of the small cities identified, we have secured, through the Urban County, HUD Section 108 loan and/or Brownfields Economic Development Initiative (BEDI) or Economic Development Initiative (EDI) grant funds.

While we have historically concentrated most our local government contracts in California, the firm works nationally as well. We have worked with the City of Delray Beach and Broward County in Florida; Tukwila, Washington and St. Joseph, Missouri. We have worked on public financing programs for private sector clients across the country as well. We are currently working or have worked in Lynnwood and Tacoma, Washington; Dallas, San Antonio, Mesquite, Euless, The Woodlands and Pasadena, Texas; Worcester, Massachusetts; Portland, Oregon; Tempe, Arizona; New Orleans, Charlotte, Nashville, Dayton, St. Louis, and Virginia Beach.

From our work with these varied clients we understand development concerns from the perspective of both the public sector and the private sector. Mark Briggs & Associates, Inc. helps cities and developers work together. We are implementers, and our job is to make projects happen.

Attached is a complete listing of public financing or grants that we have secured or are currently negotiating. It lists the jurisdiction involved, the amount of the assistance and the development group. A summary of the programs and amounts are as follows:

▪ Section 108 Loans & EDI/BEDI	\$ 372,167,000
▪ Tax Rebates, Abatements or BID's	92,867,000
▪ City or Agency Direct Infusion and Tax Increment	114,015,000
▪ Certificates of Participation and Sales Tax Bonds	51,700,000
▪ Community Development Block Grant Funds (CDBG)	5,650,000
▪ Off-Site Improvements from Assessment Bonds	63,255,000
▪ Parking Structures	27,500,000
▪ Tax Exempt Bonds	30,000,000
▪ Commercial Revitalization	9,100,000
▪ U.S. EDA Local Public Works Grants	40,935,000
▪ Urban Development Action Grants (UDAG)	54,999,000
▪ Transportation Enhancement Programs (ISTEA)	1,716,000
• Continuum of Care Homeless Grants	15,326,255
• Environmental Protection Agency Programs	1,400,000
TOTAL	<u>\$880,630,255</u>

We continually follow changes in Federal and State Legislation that might create new funding programs and have always led the way in new and innovative methods of bringing public assistance to projects. HUD has instituted three new programs since 1994. Those include the Economic Development Initiative (EDI), Brownfields Economic Development Initiative (BEDI) and Homeownership Zone grant programs. MB&A is the most active firm preparing these grants and has secured 35 grants and the companion HUD Section 108 loans. In the awards announced on September 28th, seven grants were approved that MB&A prepared. The BEDI and EDI grants totaled \$6.91 million and represented 23.3% of all the grant funds approved nationwide and brought to \$34.6 million the amount of grant funds we have secured in the 35 approved applications. Added to that is the \$234.74 million in Section 108 funds associated with the BEDI and EDI grants. If you add in the Section 108 loans we have secured that did not include a BEDI or EDI grant, the grand total for BEDI/EDI/Section 108 funds totals over \$372 million. Our approval rate exceeds 90% for the competitive grants we have prepared. Needless to say, HUD respects MB&A as a firm that encourages clients to utilize HUD programs.

We have had the same excellent record with U.S. Economic Development Administration (EDA). We have secured 37 grants from EDA for our clients. The grants from EDA total nearly \$41 million and include public works grants, economic adjustment grants and defense conversion grants. Our approval rate with EDA exceeds 95%.

As important as any aspect, is our relationship with cities. We are welcomed as a firm that has worked both for the developers and cities or redevelopment agencies. Many times the cities have commented that a project was stalled on dead center until we became

Mr. Donald E. Bradley
October 10, 2001
Page 4

involved and worked out a public funding scheme that enabled the project to move forward.

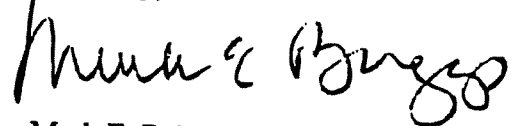
Our success is best measured in the number of projects we have secured assistance for that are now built. Because we have worked on so many projects and encountered all the problems that can arise, we are able to work through the problems. The result is that 95% of the projects we work on are constructed. In a phrase, "we get the job done."

We believe Mark Briggs & Associates offers unique expertise because we serve both the public and private sectors. We understand well what it takes to bring parties together in public-private partnerships that work and believe we can provide assistance that would further your development objectives.

I have enclosed letter agreements to prepare an EDI or BEDI grant and the companion Section 108 loan, working through Riverside County, which must be the applicant and an EDA public works grant, which may be applied for by the City directly to EDA. In both cases the contracts have payments scheduled when specific benchmarks are achieved.

Mark Briggs & Associates looks forward to working with Cathedral City on your important downtown projects.

Sincerely,



Mark E. Briggs
President

MEB:ee
Attachments
mktg\bradley1

**PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN
THE CATHEDRAL CITY REDEVELOPMENT AGENCY
AND
MARK BRIGGS & ASSOCIATES, INC.**

THIS AGREEMENT, is made and entered into this ____ day of October, 2001, by and between the Cathedral City Redevelopment Agency, a public body organized and existing under the laws of the State of California (hereinafter referred to as the "Agency") and Mark Briggs & Associates, Inc., a California corporation, hereinafter referred to as "Consultant".

RECITALS:

WHEREAS, the Agency has need for specialized economic development services to assist in preparing an Department of Housing and Urban Development Section 108 Loan and BEDI grant; and

WHEREAS, Consultant possesses the necessary skills, experience and commitment to provide the needed specialized economic development services; and

WHEREAS, in light of the facts set forth above, the Agency desires to retain the services of a qualified consultant to provide, on an independent contractor's basis, professional services in connection with preparing a grant application to the Department of Housing and Urban Development Section 108 Loan and BEDI;

Now therefore, in consideration of the covenants, conditions and promises contained herein, the parties agree as follows:

Section 1. SCOPE OF SERVICES AND COMPENSATION

Consultant shall provide to the Agency those services for the compensation as set forth in the attached letter from Consultant (Exhibit "A"), and incorporated herein by this reference as though set forth at length. Payment shall be made pursuant to the Payment Program in Exhibit "B".

Section 2. INDEPENDENT CONTRACTOR'S STATUS

Consultant shall at all times during the term of this Agreement perform the services described in this Agreement as an independent contractor.

**Section 3. REPRESENTATIONS AND ACKNOWLEDGMENTS
REGARDING INDEPENDENT CONTRACTOR'S STATUS OF
CONSULTANT**

- a. Consultant represents and acknowledges the following:

(1) The Agency is not required to provide any training or legal counsel to Consultant or its employees in order for Consultant to perform the services described in this Agreement.

(2) Performance of the services described in this Agreement do not have to be integrated into the daily business operations of the Agency.

(3) The services described in this Agreement can be performed without the use of Agency equipment, materials, tools or facilities.

(4) Nothing in this Agreement shall be interpreted to imply that the Agency must maintain any contractual relationship with Consultant on a continuing basis after termination of this Agreement.

(5) The Agency will not be requested or demanded to assume any liability for the direct payment of any salary, wage or other such compensation to any person employed by Consultant to perform the services described in this Agreement.

(6) Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are "employees" of the Agency.

b. The Agency represents and acknowledges the following:

(1) Consultant is not required to comply with daily instructions from Agency staff with respect to when, where or how Consultant must perform the services set forth in this Agreement.

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(8) Other than attendance at required public meetings and public hearings and complying with procedural requirements set forth by law, Consultant is not required to perform the services set forth in the Agreement in any particular order or sequence.

(9) Nothing in this Agreement shall be interpreted to preclude Consultant from working for other persons or firms, provided that such work does not create a conflict of interest.

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a. Nothing contained in this Agreement shall be deemed, construed or represented by the Agency or Consultant or by any third person to create the relationship of principal and agent.

b. Consultant shall have no authority, expressed or implied, to act on behalf of the Agency in any capacity whatsoever as an agent, nor shall Consultant have any authority, expressed or implied, to bind the Agency to any obligation whatsoever.

Section 5. QUALIFICATIONS

Consultant represents that it has obtained and will maintain at all times during the term of this Agreement all professional and/or business licenses, certifications and/or permits necessary for performing the services described in this Agreement.

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Consultant warrants that all services will be performed in a competent, professional and satisfactory manner in accordance with the standards prevalent in the industry for such services.

Section 7. FAMILIARITY WITH WORK

a. By executing this Agreement, Consultant warrants that (1) it has thoroughly investigated and considered the work to be performed, (2) it has investigated the issues, regarding the scope of services to be provided, (3) it has carefully considered how the work should be performed, and (4) it fully understands the facilities, difficulties and restrictions attending performance of the work under this agreement.

b. Should Consultant discover any latent or unknown conditions materially differing from those inherent in the work or as represented by the Agency, it shall immediately inform the Agency of such fact and shall not proceed except at Consultant's risk until written instructions are received from the Executive director or appropriate Agency representative.

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Consultant covenants that neither it nor any officer of the corporation has any interest, nor shall it acquire an interest, directly or indirectly, which would conflict in any manner with the performance of Consultant's services under this Agreement.

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Consultant shall comply with all local, state and federal laws and regulations applicable to the services required hereunder.

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a. Consultant shall comply with the Agency's employment related nondiscrimination policies as set forth in the City of Cathedral City Municipal Code, as it may be amended from time to time.

b. Consultant acknowledges that the Agency's employment related nondiscrimination policies prohibit discrimination on the basis of an individual's sex, marital status, race, color, religion, ancestry, national origin, physical handicap, sexual orientation, and domestic partnership status.

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a. Consultant shall procure and maintain at its own expense, during the term of this Agreement, workers' compensation insurance, providing coverage as required by the California State Workers' Compensation Law.

b. If any class of employees employed by the Consultant pursuant to this Agreement is not protected by the California State Workers' Compensation Law, Consultant shall provide adequate insurance for the protection of such employees to the satisfaction of the Agency.

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Consultant shall procure and maintain through the entire term of this Agreement errors and omissions and professional liability insurance in an amount acceptable by the Administrative Services Director of the City of Cathedral City.

Section 13. **ADDITIONAL NAMED INSURED**

Notwithstanding any inconsistent statement in any required insurance policies or any subsequent endorsements attached thereto, the protection offered by all policies, except for Workers' Compensation, Errors and Omissions and Professional Liability coverage, shall bear an endorsement whereby it is provided that, the Agency and its officers, employees, servants, volunteers and agents and independent contractors, of the City of Cathedral City ("City") including without limitation, the Executive Director, Redevelopment Director, Administrative Services Director, Special Projects Director, Community Development Director, Special Projects Manager, Police Chief, Fire Chief, Agency Engineer, Public Information Officer, and City Attorney, are named as additional insureds.

Section 14. WAVIER OF SUBROGATION RIGHTS

Consultant shall require the carriers of all required insurance policies to waive all rights of subrogation against the Agency and its officers, volunteers, employees, contractors and subcontractors.

Section 15. PROOF OF INSURANCE COVERAGE

a. Consultant shall secure from a good and responsible company or companies authorized to do insurance business in the State of California the policies of insurance required by this Agreement and furnish to the Agency Secretary certificates of said insurance on or before the commencement of the term of this Agreement.

b. The certificates of insurance shall bear an endorsement whereby it is provided that, in the event of cancellation or amendment of any required insurance policy for any reason whatsoever, the Agency shall be notified by mail, postage prepaid, not less than thirty (30) days before the cancellation or amendment is effective.

c. The certificates of insurance shall bear an endorsement whereby it is provided that the respective insurance policy shall not be terminated or expire without first providing thirty (30) days' written notice to the Agency of such termination or expiration.

d. The certificates of insurance shall indicate that the respective insurance policy will be maintained throughout the term of this Agreement.

e. Within thirty (30) days of the execution of this Agreement, Consultant shall furnish certified copies of all required insurance policies and endorsements.

Section 16. TERMINATION OR SUSPENSION

a. This Agreement may be terminated or suspended without cause by the Agency at any time provided that the Agency provides Consultant at least (10) business days' written notice of such termination or suspension.

b. This Agreement may be terminated or suspended with cause by the Agency at any time provided that the Agency provides at least (3) business days' written notice of such termination or suspension.

c. This Agreement may be terminated by Consultant with cause at any time provided that Consultant provides the Agency at least (30) business days' written notice of such termination.

Section 17. **TIME OF THE ESSENCE**

Time is of the essence in the performance of this Agreement.

Section 18. **INDEMNIFICATION**

a. Consultant shall defend, indemnify and hold harmless the City and the Agency, its officers, employees, representatives and agents, from and against those actions, suits, proceedings, claims, demands, losses, costs and expenses, including legal costs and attorneys' fees, for any personal injuries, deaths, property damage (including property owned by the City or Agency) and for errors and omissions committed by Consultant, its officers, employees, independent contractors and agents, which may arise out of Consultant's negligent performance of the services described in this Agreement, unless such losses or damages are proven to be caused by the City's or Agency's own negligence or that of its officers or employees.

b. The Agency does not, and shall not, waive any rights that it may have against Consultant under this Section, because of the acceptance by the Agency, or the deposit with the Agency, of any insurance policy or certificate required pursuant to this Agreement. The hold harmless and indemnification provisions of this Section shall apply regardless of whether or not said insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense described herein.

Section 19. **REPORTS**

Consultant shall periodically prepare and submit to the City Engineer such reports concerning Consultant's performance of the services required by this Agreement as the Executive Director may require.

Section 20. **RECORDS**

a. Consultant shall keep such books and records as shall be necessary to perform the services required by this Agreement and enable the Executive Director to evaluate the cost and the performance of such services.

b. Books and records pertaining to costs shall be kept and prepared in accordance with generally accepted accounting principles.

c. The Executive Director or designee shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

Section 21. **OWNERSHIP OF DOCUMENTS**

a. Upon completion of any document or report required to be provided by Consultant in the course of performing any of the services described in this Agreement, or upon earlier termination of this Agreement, all completed original documents and/or reports and any designs, drawings, calculations, diskettes, computer files, notes, and other related materials prepared or produced in connection with such documents or reports shall become the sole property of the Agency and may be used and/or reused on any other project by the Agency without the permission of Consultant.

b. All computer files produced in connection with the services described in this Agreement shall be provided to the Agency in a form and format that is compatible with the Agency's existing computer equipment and software.

Section 22. **CONFIDENTIALITY**

a. Any and all documents and information obtained from the Agency or prepared by Consultant for the Agency shall be kept strictly confidential.

b. The drawings, specifications, reports, records, documents and other materials prepared by Consultant in the performance of services under this Agreement shall not be released publicly without the prior written approval of the City Engineer or as required by law.

c. Consultant shall not disclose to any other entity or person any information regarding the activities of the Agency, except as required by law or as authorized by the Agency.

Section 23. **PRINCIPAL REPRESENTATIVES**

a. Mark Briggs is designated as the principal representative of Consultant for purposes of communicating with the Agency on any matter associated with the performance of the services set forth in this Agreement.

b. The Redevelopment Director shall be the principal representative of the Agency for purposes of communicating with Consultant on any matter associated with the performance of the services set forth in this Agreement.

c. Either party may designate another individual as its principal representative by giving notice of such designation to the other party.

d. It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder.

Section 24. **MODIFICATIONS AND AMENDMENTS**

This Agreement may be modified or amended only by a written instrument signed by both parties

Section 25. **ENTIRE AGREEMENT**

a. This Agreement supersedes any and all other agreements, either oral or written, between the Agency and Consultant with respect to the subject matter of this Agreement.

b. This Agreement contains all of the covenants and agreements between the parties with respect to the subject matter of this Agreement, and each party to this Agreement acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except those covenants and agreements embodied in this Agreement.

c. No agreement, statement, or promise not contained in this Agreement shall be valid or binding.

Section 26. **NOTICES**

a. Any notice to be provided pursuant to this Agreement shall be in writing, and all such notices shall be delivered by personal service or by deposit in the United States mail, certified or registered, return receipt requested, with postage prepaid, and addressed to the parties as follows:

To the Agency: Redevelopment Agency Director
Cathedral City Redevelopment Agency
68-700 Avenida Lalo Guerrero
Cathedral Agency, California 92234

To Consultant: Mark Briggs
Mark Briggs & Associates
505 North Tustin Avenue, Suite 115
Santa Ana, CA 92705

b. Notices, payments and other documents shall be deemed delivered upon receipt by personal service or as of the second (2nd) day after deposit in the United States mail.

Section 27.

NON-LIABILITY OF CITY OR AGENCY OFFICERS AND EMPLOYEES

No officer or employee of the City or Agency shall be personally liable to Consultant, or any successor in interest, in the event of any default or breach by the City or Agency or for any amount which may become due to Consultant or to its successor, or for any breach of any obligation of the terms of this Agreement.

Section 28.

INTERPRETATION

This Agreement shall not be interpreted against either party on the grounds that one of the parties was solely responsible for preparing it or caused it to be prepared as both parties were involved in drafting it.

Section 29.

WAIVER

a. No waiver shall be binding, unless executed in writing by the party making the waiver.

b. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision.

c. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this Agreement.

Section 30.

ASSIGNMENT

a. The experience, knowledge, capability and reputation of Consultant, its principles and employees were a substantial inducement for the Agency to enter into this Agreement.

b. This Agreement shall not be assigned by either party without prior written consent of the other party.

Section 31.

CARE OF WORK

a. Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work performed by Consultant, and the equipment, materials, papers and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by the Agency, except such losses or damages as may be caused by the Agency's own negligence.

b. The performance of services by Consultant shall not relieve Consultant from any obligation to correct any incomplete, inaccurate or defective work at no further cost to the Agency, when such inaccuracies are due to the negligence of Consultant.

Section 32. CAPTIONS AND HEADINGS

The captions and headings contained in this Agreement are provided for identification purposes only and shall not be interpreted to limit or define the content of the provisions described under the respective caption or heading.

Section 33. SEVERABILITY

If any one or more of the sentences, clauses, paragraphs or sections contained herein is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate any of the remaining sentences, clauses, paragraphs or sections contained herein.

Section 34. GOVERNING LAW

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties under this Agreement, shall be construed pursuant to and in accordance with California law.

Section 35. RIGHTS AND REMEDIES

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

Section 36. VENUE

All proceedings involving disputes over the terms, provisions, covenants or conditions contained in this Agreement and all proceedings involving any enforcement action related to this Agreement shall be initiated and conducted in the applicable court or forum in Riverside County, California.

Section 37. ATTORNEY'S FEES

In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of any right or obligation pursuant to this Agreement or as a result of any alleged breach of any provision of this Agreement, the prevailing party in such suit or proceeding shall be entitled to recover its costs and expenses, including reasonable attorney's fees, from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

Section 38.

AUTHORITY

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties.

[THIS SECTION INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the dates written above.

Cathedral City Redevelopment Agency: Mark Briggs & Associates:

By:
Donald E. Bradley,
Executive Director

By:
Mark Briggs

By: _____
Dudley Haines, Risk Manager

ATTEST:

By: _____
Donna M. Velotta, Agency
Secretary

APPROVED AS TO FORM:

By: _____
Green, deBortnowsky &
Quintanilla, Agency Counsel

APPROVED AS TO CONTENT

By: _____
Susan Moeller, Redevelopment
Director

EXHIBIT “A”

LETTER FROM CONSULTANT



October 10, 2001

Mr. Donald E. Bradley
City Manager
City of Cathedral City
68-700 Avenue Lalo Guerrero
Cathedral City, California. 92234-7031

***RE: Letter Agreement for Consultant Services
Section 108 Loan Guarantee Application and
BEDI/EDI Grant Application***

This letter Agreement is for consultant services to be provided by Mark Briggs & Associates, Inc., for preparation of a U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee application and a Brownfields Economic Development Initiative (BEDI) or Economic Development Initiative (EDI) grant application. The services to be provided include the following:

1. Work with City staff to define the project and costs and size the Section 108 and BEDI/EDI amounts.
2. Establish the use of the Section 108, BEDI/EDI and other resources to be included in project.
3. Structure the repayment and additional security for the Section 108.
4. Assist in the preparation of a proposal to Riverside County.
5. Participate in meeting with Riverside County to determine the level of support.
6. Work with staff to develop public hearing notices, City Council reports and resolution containing required certifications.
7. Attend public hearings and/or public meetings on Section 108 and BEDI/EDI applications.
8. Prepare draft Section 108 and BEDI/EDI applications for City and County review and comments.
9. Prepare final Section 108 and BEDI/EDI applications for submittal to HUD.
10. Follow-up with HUD, as necessary, on questions relating to applications.

The fees for the above services will be Twenty Nine Thousand Dollars (\$29,000), plus out of pocket travel expenses including per diem at Fifty Dollars (\$50) when overnight stay is required, not to exceed Eight Hundred Dollars (\$800), payable as follows:

MARK BRIGGS & ASSOCIATES, INC.

158.

505 N. Tustin Ave. Suite 115, Santa Ana, CA 92705 - (714) 550-0300

Mr. Donald E. Bradley
 October 10, 2001
 Page 2

Approval of Contract	\$1,000
Structuring of Fund Uses	4,000
Upon Agreement of Support from Riverside Co. Senior Staff	2,000
Submittal of Draft Section 108 to City and County	6,000
Submittal of Final Section 108 to HUD	2,500
Submittal of Draft BEDI/EDI to City and County	8,000
Submittal of Final BEDI/EDI to HUD	5,000
Respond to HUD Questions on Application	500
Total	\$29,000

This Agreement is in effect with the execution of the signatures of both parties.

CITY OF CATHEDRAL CITY

MARK BRIGGS & ASSOCIATES, INC.

By: _____

By: Mark E. Briggs

Its: _____

Its: President

cathedralcity/bcdi/edi

EXHIBIT "B"

PAYMENT PROGRAM

PAYMENT PROGRAM

Section 1. Invoices

Invoices shall only be submitted to the Agency by Consultant following completion of the tasks set forth in the Scope of Services, attached hereto as Exhibit "A"

Section 2. Scope of Services

Each invoice shall include a copy of the Scope of Services

Section 3. Payment

The Agency shall pay Consultant within thirty (30) days of receipt of an invoice, except as otherwise provided for herein.

Section 4. Contested Invoices

a. Payment to Consultant shall not be made by the Agency within thirty (30) days for any invoice which is contested or questioned and returned by the Agency with a written explanation within thirty (30) days of receipt of invoice.

b. Consultant shall provide to Agency a written response to any invoice contested or questioned, and upon request of the Agency, Consultant shall provide the Agency with any and all documents related to any invoice.

Section 5. Early Termination or Suspension

a. In the event of early termination or suspension, the Agency shall compensate Consultant for all services rendered pursuant to this Agreement up to the time of the effective date of the early termination or suspension.

b. Compensation for services rendered in connection with a task that has not been completed at the time of the effective date of the early termination or suspension shall be provided to Consultant on a prorated basis to reflect the percentage of the specific task that has been completed at the aforementioned time.

**PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN
THE CATHEDRAL CITY REDEVELOPMENT AGENCY
AND
MARK BRIGGS & ASSOCIATES, INC.**

THIS AGREEMENT, is made and entered into this ____ day of October, 2001, by and between the Cathedral City Redevelopment Agency, a public body organized and existing under the laws of the State of California (hereinafter referred to as the "Agency") and Mark Briggs & Associates, Inc., a California corporation, hereinafter referred to as "Consultant".

RECITALS:

WHEREAS, the Agency has need for specialized economic development services to assist in preparing an Economic Development Administration grant; and

WHEREAS, Consultant possesses the necessary skills, experience and commitment to provide the needed specialized economic development services; and

WHEREAS, in light of the facts set forth above, the Agency desires to retain the services of a qualified consultant to provide, on an independent contractor's basis, professional services in connection with preparing a grant application to the Economic Development Administration;

Now therefore, in consideration of the covenants, conditions and promises contained herein, the parties agree as follows:

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Consultant shall provide to the Agency those services for the compensation as set forth in the attached letter from Consultant (Exhibit "A"), and incorporated herein by this reference as though set forth at length. Payment shall be made pursuant to the Payment Program in Exhibit "B".

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Consultant shall procure and maintain through the entire term of this Agreement errors and omissions and professional liability insurance in an amount acceptable by the Administrative Services Director of the City of Cathedral City.

Section 13. ADDITIONAL NAMED INSURED

Notwithstanding any inconsistent statement in any required insurance policies or any subsequent endorsements attached thereto, the protection offered by all policies, except for Workers' Compensation, Errors and Omissions and Professional Liability coverage, shall bear an endorsement whereby it is provided that, the Agency and its officers, employees, servants, volunteers and agents and independent contractors, of the City of Cathedral City ("City") including without limitation, the Executive Director, Redevelopment Director, Administrative Services Director, Special Projects Director, Community Development Director, Special Projects Manager, Police Chief, Fire Chief, Agency Engineer, Public Information Officer, and City Attorney, are named as additional insureds.

Section 14. **WAVIER OF SUBROGATION RIGHTS**

Consultant shall require the carriers of all required insurance policies to waive all rights of subrogation against the Agency and its officers, volunteers, employees, contractors and subcontractors.

Section 15. **PROOF OF INSURANCE COVERAGE**

a. Consultant shall secure from a good and responsible company or companies authorized to do insurance business in the State of California the policies of insurance required by this Agreement and furnish to the Agency Secretary certificates of said insurance on or before the commencement of the term of this Agreement.

b. The certificates of insurance shall bear an endorsement whereby it is provided that, in the event of cancellation or amendment of any required insurance policy for any reason whatsoever, the Agency shall be notified by mail, postage prepaid, not less than thirty (30) days before the cancellation or amendment is effective.

c. The certificates of insurance shall bear an endorsement whereby it is provided that the respective insurance policy shall not be terminated or expire without first providing thirty (30) days' written notice to the Agency of such termination or expiration.

d. The certificates of insurance shall indicate that the respective insurance policy will be maintained throughout the term of this Agreement.

e. Within thirty (30) days of the execution of this Agreement, Consultant shall furnish certified copies of all required insurance policies and endorsements.

Section 16. **TERMINATION OR SUSPENSION**

a. This Agreement may be terminated or suspended without cause by the Agency at any time provided that the Agency provides Consultant at least (10) business days' written notice of such termination or suspension.

b. This Agreement may be terminated or suspended with cause by the Agency at any time provided that the Agency provides at least (3) business days' written notice of such termination or suspension.

c. This Agreement may be terminated by Consultant with cause at any time provided that Consultant provides the Agency at least (30) business days' written notice of such termination.

Section 17. **TIME OF THE ESSENCE**

Time is of the essence in the performance of this Agreement.

Section 18. **INDEMNIFICATION**

a. Consultant shall defend, indemnify and hold harmless the City and the Agency, its officers, employees, representatives and agents, from and against those actions, suits, proceedings, claims, demands, losses, costs and expenses, including legal costs and attorneys' fees, for any personal injuries, deaths, property damage (including property owned by the City or Agency) and for errors and omissions committed by Consultant, its officers, employees, independent contractors and agents, which may arise out of Consultant's negligent performance of the services described in this Agreement, unless such losses or damages are proven to be caused by the City's or Agency's own negligence or that of its officers or employees.

b. The Agency does not, and shall not, waive any rights that it may have against Consultant under this Section, because of the acceptance by the Agency, or the deposit with the Agency, of any insurance policy or certificate required pursuant to this Agreement. The hold harmless and indemnification provisions of this Section shall apply regardless of whether or not said insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense described herein.

Section 19. **REPORTS**

Consultant shall periodically prepare and submit to the City Engineer such reports concerning Consultant's performance of the services required by this Agreement as the Executive Director may require.

Section 20. **RECORDS**

a. Consultant shall keep such books and records as shall be necessary to perform the services required by this Agreement and enable the Executive Director to evaluate the cost and the performance of such services.

b. Books and records pertaining to costs shall be kept and prepared in accordance with generally accepted accounting principles.

c. The Executive Director or designee shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

Section 21.

OWNERSHIP OF DOCUMENTS

a. Upon completion of any document or report required to be provided by Consultant in the course of performing any of the services described in this Agreement, or upon earlier termination of this Agreement, all completed original documents and/or reports and any designs, drawings, calculations, diskettes, computer files, notes, and other related materials prepared or produced in connection with such documents or reports shall become the sole property of the Agency and may be used and/or reused on any other project by the Agency without the permission of Consultant.

b. All computer files produced in connection with the services described in this Agreement shall be provided to the Agency in a form and format that is compatible with the Agency's existing computer equipment and software.

Section 22.

CONFIDENTIALITY

a. Any and all documents and information obtained from the Agency or prepared by Consultant for the Agency shall be kept strictly confidential.

b. The drawings, specifications, reports, records, documents and other materials prepared by Consultant in the performance of services under this Agreement shall not be released publicly without the prior written approval of the City Engineer or as required by law.

c. Consultant shall not disclose to any other entity or person any information regarding the activities of the Agency, except as required by law or as authorized by the Agency.

Section 23.

PRINCIPAL REPRESENTATIVES

a. Mark Briggs is designated as the principal representative of Consultant for purposes of communicating with the Agency on any matter associated with the performance of the services set forth in this Agreement.

b. The Redevelopment Director shall be the principal representative of the Agency for purposes of communicating with Consultant on any matter associated with the performance of the services set forth in this Agreement.

c. Either party may designate another individual as its principal representative by giving notice of such designation to the other party.

d. It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder.

Section 24. **MODIFICATIONS AND AMENDMENTS**

This Agreement may be modified or amended only by a written instrument signed by both parties

Section 25. **ENTIRE AGREEMENT**

a. This Agreement supersedes any and all other agreements, either oral or written, between the Agency and Consultant with respect to the subject matter of this Agreement.

b. This Agreement contains all of the covenants and agreements between the parties with respect to the subject matter of this Agreement, and each party to this Agreement acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except those covenants and agreements embodied in this Agreement.

c. No agreement, statement, or promise not contained in this Agreement shall be valid or binding.

Section 26. **NOTICES**

a. Any notice to be provided pursuant to this Agreement shall be in writing, and all such notices shall be delivered by personal service or by deposit in the United States mail, certified or registered, return receipt requested, with postage prepaid, and addressed to the parties as follows:

To the Agency: Redevelopment Agency Director
Cathedral City Redevelopment Agency
68-700 Avenida Lalo Guerrero
Cathedral Agency, California 92234

To Consultant: Mark Briggs
Mark Briggs & Associates
505 North Tustin Avenue, Suite 115
Santa Ana, CA 92705

b. Notices, payments and other documents shall be deemed delivered upon receipt by personal service or as of the second (2nd) day after deposit in the United States mail.

Section 27.

NON-LIABILITY OF CITY OR AGENCY OFFICERS AND EMPLOYEES

No officer or employee of the City or Agency shall be personally liable to Consultant, or any successor in interest, in the event of any default or breach by the City or Agency or for any amount which may become due to Consultant or to its successor, or for any breach of any obligation of the terms of this Agreement.

Section 28.

INTERPRETATION

This Agreement shall not be interpreted against either party on the grounds that one of the parties was solely responsible for preparing it or caused it to be prepared as both parties were involved in drafting it.

Section 29.

WAIVER

- a. No waiver shall be binding, unless executed in writing by the party making the waiver.
- b. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision.
- c. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this Agreement.

Section 30.

ASSIGNMENT

- a. The experience, knowledge, capability and reputation of Consultant, its principles and employees were a substantial inducement for the Agency to enter into this Agreement.
- b. This Agreement shall not be assigned by either party without prior written consent of the other party.

Section 31.

CARE OF WORK

- a. Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work performed by Consultant, and the equipment, materials, papers and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by the Agency, except such losses or damages as may be caused by the Agency's own negligence.

b. The performance of services by Consultant shall not relieve Consultant from any obligation to correct any incomplete, inaccurate or defective work at no further cost to the Agency, when such inaccuracies are due to the negligence of Consultant.

Section 32. **CAPTIONS AND HEADINGS**

The captions and headings contained in this Agreement are provided for identification purposes only and shall not be interpreted to limit or define the content of the provisions described under the respective caption or heading.

Section 33. **SEVERABILITY**

If any one or more of the sentences, clauses, paragraphs or sections contained herein is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate any of the remaining sentences, clauses, paragraphs or sections contained herein.

Section 34. **GOVERNING LAW**

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties under this Agreement, shall be construed pursuant to and in accordance with California law.

Section 35. **RIGHTS AND REMEDIES**

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

Section 36. **VENUE**

All proceedings involving disputes over the terms, provisions, covenants or conditions contained in this Agreement and all proceedings involving any enforcement action related to this Agreement shall be initiated and conducted in the applicable court or forum in Riverside County, California.

Section 37. **ATTORNEY'S FEES**

In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of any right or obligation pursuant to this Agreement or as a result of any alleged breach of any provision of this Agreement, the prevailing party in such suit or proceeding shall be entitled to recover its costs and expenses, including reasonable attorney's fees, from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

Section 38. AUTHORITY

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties.

[THIS SECTION INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the dates written above.

Cathedral City Redevelopment Agency: Mark Briggs & Associates:

**By: Donald E. Bradley,
Executive Director**

By: Mark Briggs

**By: _____
Dudley Haines, Risk Manager**

ATTEST:

**By: _____
Donna M. Velotta, Agency
Secretary**

APPROVED AS TO FORM:

**By: _____
Green, deBortnowsky &
Quintanilla, Agency Counsel**

APPROVED AS TO CONTENT

**By: _____
Susan Moeller, Redevelopment
Director**

EXHIBIT "A"

LETTER FROM CONSULTANT



October 10, 2001

Mr. Donald E. Bradley
City Manager
City of Cathedral City
68-700 Avenue Lalo Guerrero
Cathedral City, California 92234-7031

**RE: Letter Agreement for Consultant Services
Economic Development Administration Grant**

This Letter Agreement is for consultant services to be provided by Mark Briggs & Associates, Inc. for the preparation of a U.S. Department of Commerce, Economic Development Administration (EDA) Public Works Grant. The services to be provided include the following:

1. Work with City staff to define the project and costs of the EDA Grant,
2. Establish the use of the EDA funds, the matching funds and other resources to be included in the project,
3. Prepare Preliminary Draft Application for City review and comment,
4. Submit Preliminary Application to EDA and respond to questions and comments,
5. Attend EDA project evaluation interview in Seattle,
6. Upon EDA notification, Prepare Final Draft Application for City review and comment,
7. Submit Final EDA Grant Application to EDA,
8. Follow-up with EDA as necessary.

The fees for the above services will be Twenty Three Thousand Dollars (\$23,000) plus travel expenses not to exceed Fifteen Hundred Dollars (\$1,500), payable as follows:

Approval of agreement	\$ 1,000
Structuring of program based on selected project	5,000
Submittal of Preliminary Application to EDA	5,000
Submittal of Final Application to EDA	11,000
Post submittal follow-up on application	<u>1,000</u>
Total	\$23,000

MARK BRIGGS & ASSOCIATES, INC.

175.

505 N. Tustin Ave. Suite 115, Santa Ana, CA 92705 - (714) 550-0100 - fax (714) 550-0101
Providing Consulting Services Since 1975

Mr. Donald E. Bradley
October 10, 2001
Page 2

This Agreement is in effect with the execution of the signatures of both parties.

CITY OF CATHEDRAL CITY

By: _____

Its: _____

MARK BRIGGS & ASSOCIATES, INC.

By: Mark E. Briggs

Its: President

cathedralcityEDA

EXHIBIT "B"

PAYMENT PROGRAM

PAYMENT PROGRAM

Section 1. Invoices

Invoices shall only be submitted to the Agency by Consultant following completion of the tasks set forth in the Scope of Services, attached hereto as Exhibit "A"

Section 2. Scope of Services

Each invoice shall include a copy of the Scope of Services

Section 3. Payment

The Agency shall pay Consultant within thirty (30) days of receipt of an invoice, except as otherwise provided for herein.

Section 4. Contested Invoices

a. Payment to Consultant shall not be made by the Agency within thirty (30) days for any invoice which is contested or questioned and returned by the Agency with a written explanation within thirty (30) days of receipt of invoice.

b. Consultant shall provide to Agency a written response to any invoice contested or questioned, and upon request of the Agency, Consultant shall provide the Agency with any and all documents related to any invoice.

Section 5. Early Termination or Suspension

a. In the event of early termination or suspension, the Agency shall compensate Consultant for all services rendered pursuant to this Agreement up to the time of the effective date of the early termination or suspension.

b. Compensation for services rendered in connection with a task that has not been completed at the time of the effective date of the early termination or suspension shall be provided to Consultant on a prorated basis to reflect the percentage of the specific task that has been completed at the aforementioned time.

**CITY OF CATHEDRAL CITY
AGENDA REPORT**


SUBJECT: AUTHORIZATION TO EXECUTE AN AGREEMENT WITH THE COUNTY OF RIVERSIDE FOR THE MOBILE HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM

DEPARTMENT: Economic Development

MEETING DATE: October 24, 2001

CONTACT PERSON: Deanna Pressgrove **DEADLINE FOR ACTION:** October 24, 2001

APPROVED:


Department


City Manager


Finance

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZES THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH RIVERSIDE COUNTY, THROUGH THE HEALTH SERVICES AGENCY, DEPARTMENT OF ENVIRONMENTAL HEALTH, HAZARDOUS MATERIALS MANAGEMENT DIVISION ESTABLISHING THE RESPONSIBILITIES OF EACH AGENCY CONCERNING THE COUNTY'S MOBILE HOUSEHOLD HAZARDOUS COLLECTION PROGRAM.

EXECUTIVE SUMMARY:

The City of Cathedral City (City) and the County of Riverside (County) recognize that it is in the public interest to establish and implement waste diversion and separation programs to prevent disposal of hazardous waste in landfills. The County has developed a Mobile Household Hazardous Waste Collection Program and has agreed to conduct two collection events in the City. The County requires that an agreement between the two agencies be executed prior to the first event.

BACKGROUND:

As part of the City's AB 939 requirements a Household Hazardous Waste Program must be established that benefits the citizens of Cathedral City. The County has taken the lead and with the assistance of grant funds has developed a Mobile Collection Program, for the sole purpose of diverting Household Hazardous Waste for Riverside County Residents. During previous years, the County has implemented the program and conducted events at sites located throughout the Valley but never in Cathedral City. This year the County has agreed to organize two collection events in the City. In order to finalize the new partnership an agreement must be executed establishing the responsibilities of each agency.

The City would agree to provide a City-owned site satisfactory to the County that meets the following criteria; ability to address safety considerations, access by the public, convenient traffic flow, available work space for handling, packaging, and transportation of hazardous waste, concrete or asphalt work area, access to gates, water, electrical,

and sanitary facilities for the duration of the collection event. The City will also be responsible for advertising and promoting the events. Any expenditure for advertising and/or promotion will be allocated from the AB 939 fund.

The County will provide and or perform all items listed in the attached agreement. Some of those items include, but are not limited to, funding, staffing, certification, liability insurance, site clean up, and handling of material. The contract also includes an indemnification clause that holds the City harmless against any claims that may result from this event. The County is also required to document all material disposed of at the event. The City will receive all recycling credit for those Cathedral City residents that chose to utilize this program.

The scheduled dates for the two Household Hazardous collection events are:

November 2 & 3, 2001
February 22 & 23, 2002

The collection site will be located East of Cathedral City Civic Center on Buddy Rogers Drive (the former elementary school parking lot). The site will be open from 9:00am until 2:00pm and will allow all Riverside County Residents to participate. The types of hazardous material accepted are: deodorizers, cleaners, bleaches, floor wax, spot remover, drain cleaner, furniture polish, aerosol cans, latex paint, weed killers, fertilizers, antifreeze, pesticides, oil based paint, pool chlorine, household & auto batteries, garden chemicals, and motor oil. The County will not accept hazardous waste greater than 5 gallons or more per vehicle trip, although multiple trips are allowed.

The City, with the cooperation of Waste Management of the Desert, included a bill stuffer in October's statements notifying all Waste Management business customers of the upcoming November event. Staff also created and mailed a postcard out to all Cathedral City Residents. A week prior to the November and February events, staff will place an ad in the Desert Sun. All notifications are printed in both English and Spanish text.

Attached is a copy of the agreement. If approved the executed agreement will be forwarded to Riverside County for final execution.

FISCAL IMPACT:

Advertising costs will be allocated from AB 939 Funds

Attachments:

Proposed Riverside County Agreement

AGREEMENT

HOUSEHOLD HAZARDOUS WASTE MOBILE COLLECTION PROGRAM

This Agreement is made and entered into by and between the City of Cathedral City, hereinafter called "CITY," and the County of Riverside, through the Health Services Agency, Department of Environmental Health, Hazardous Materials Management Division, hereinafter called "COUNTY," hereby establishes the responsibilities of each party concerning COUNTY'S Mobile Household Hazardous Waste (HHW) Collection Program. The parties hereto mutually agree as provided in this Agreement and incorporated herein.

RECITALS

WHEREAS, the City of Cathedral City and the County of Riverside recognize that it is in the public interest to establish and implement waste diversion and separation programs to prevent disposal of hazardous waste, including household hazardous waste, in landfills, and;

WHEREAS, the County of Riverside has a well developed and established Mobile Collection Program, for the purpose of diverting household hazardous waste, and;

WHEREAS, the City of Cathedral City has the availability of a physical site, located at 68-700 Avenida Lalo Guerrero in the City of Cathedral City (cross Van Fleet Ave.), suitable for conducting household hazardous waste collection for the benefit of the citizens of the City of Cathedral City, and;

WHEREAS, both entities further agree that the location site and collection event, for these waste collections is in the best interests of the citizens of the City of Cathedral City and vicinity;

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions hereafter contained, the Parties hereto mutually concur as follows. In conjunction with the Household Hazardous Waste (HHW) Collection Programs, the County of Riverside (COUNTY) through the Department of Environmental Health, Hazardous Materials Management Division agrees to the following responsibilities:

I. COUNTY'S DUTIES

The County agrees to provide and/or perform the following items related to holding a HHW Collection event:

- 1.1 Publish a schedule of HHW events that will provide a minimum of thirty (30) days advanced notice to the incorporated cities and unincorporated areas of the county.
- 1.2 Obtain and fund the services of a state certified, licensed, bonded, and insured hazardous waste hauling and disposal company through the competitive bidding process, with all costs for disposal of waste, staffing, and implementation of the program remaining the responsibility of the COUNTY;
- 1.3 Function as an independent contractor and to provide site security, liability coverage and indemnification to the extent specified in paragraph 1.10 below; with liability coverage provided through the COUNTY'S self insurance program; and
- 1.4 Determine that the hazardous waste disposal company contracted for the HHW Collection Event has obtained appropriate certificates of insurance that meet the criteria as established in Health and Safety Code, the Federal Transportation Code and for Worker's Compensation.

- 1.5 Clean up any spills associated with the HHW collection event; and upon completion of the event, to clean up the site to the condition existing prior to the collection event.
- 1.6 Ensure that no hazardous materials of any type will remain on-site at the conclusion of the collection event, and any household hazardous waste left at the site will be promptly removed upon arrangements by COUNTY; and
- 1.7 Obtain all of the necessary permits and variances with the State of California, Environmental Protection Agency, and Department of Toxic Substances Control;
- 1.8 Ensure that staffing to assist in the acceptance, handling, packaging, and manifesting of the household hazardous waste received will be provided, either by the COUNTY or the contracted disposal company, with a representative from the Department supervising the activities at the HHW collection event.
- 1.9 Ensure that the contracted hazardous waste disposal company is responsible for the off-site transportation and ultimate disposal of the hazardous waste, in accordance with State and Federal hazardous waste and transportation laws; and
- 1.10 Act as an independent contractor. No relationship of employer-employee shall exist between the parties hereto. COUNTY assumes exclusively the responsibility for its acts, and the acts of its employees or agents as they relate to the services to be provided during the course and scope of the Agreement. County shall not be entitled to any benefits payable to employees of CITY including CITY Workers Compensation Benefits, and hereby holds the CITY harmless from any and all claims that may be made against CITY based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.
- 1.11 It is further understood and agreed by the parties hereto that COUNTY, in the performance of its obligations hereunder, is subject to the control or direction of the CITY merely as to

the result to be accomplished by the services hereunder agree to be rendered and performed and not as to the means and methods for accomplishing the results.

- 1.12 Indemnify CITY for any and all Federal and State withholding or State retirement payments that the CITY may be required to make by the Federal or State government. If for any reason COUNTY is determined not to be an independent contractor to the CITY carrying out the terms of this Agreement, such indemnification shall be paid in full to CITY upon sixty (60) days written notice to COUNTY of a Federal and/or State determination that such payment is required.

II. CITY'S DUTIES

The CITY agrees to provide a city-owned site satisfactory to the COUNTY that meets the following requirements:

- 2.1 Safety consideration;
- 2.2 Convenience to the public;
- 2.3 Traffic flow;
- 2.4 Available work space for handling, packaging, and transportation of hazardous waste;
- 2.5 Concrete or asphalt covered work area;
- 2.6 Access to gates, water, electrical, and sanitary facilities for the duration of the collection event.

The CITY shall be responsible for undertaking the following:

- 2.7 Advertising of the household hazardous waste collection events through local news media, distribution of printed flyers and/or posters, and community service organizations at CITY expenditure.

- 2.8 May obtain the use of volunteers for specific tasks such as traffic control, handling out flyers, surveys, etc.

HHW COLLECTION EVENT SCHEDULE:

The scheduled dates for the two HHW collection events will be:

- November 2 & 3, 2001
- February 22 & 23, 2002

III. JOINT PROVISIONS

The COUNTY and the CITY shall undertake joint responsibility for the following tasks:

- 3.1 Advertising of the household

- 3.2 Planning and coordination meetings with City Manager's office, Department of Environmental Health, City Fire Department and other department or agency representative.

IV. HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM

The household hazardous waste collection program shall meet the following operational standards:

- 4.1 Traffic cones will be set up to divert traffic through collection facility;
- 4.2 All vehicles will have trunks open upon entering the restricted zone and will participate in a survey to be designed for both CITY and COUNTY use.
- 4.3 The restricted area will include the following:

- a. Vehicle unloading area;
 - b. Categorization and lab packing area;
 - c. Unknowns processing for preliminary identification.
- 4.4 The restricted areas (except the unloading area) will have at a minimum two layers of visquene to prevent contamination of the pavement or soil. Only authorized personnel will be allowed in the restricted area.
- 4.5 Contracted or COUNTY staff will segregate wastes according to hazard classification, package compatible materials into DOT 17H steel 55 gallon drums containing a six-mil plastic liner and filled with inert, moisture absorbent, granular, packing material. Each drum will be labeled in accordance with State and Federal regulations.
- 4.6 Record keeping will consist of a written transportation manifest with a supplemental list of chemicals contained in each drum.
- 4.7 The COUNTY will retain copies of each manifest for a minimum of three years as prescribed by law.
- 4.8 All packaging, labeling, manifesting, transportation, and disposal of hazardous waste will be done in accordance with all applicable Federal transportation regulations and the California Vehicle Code.
- 4.9 The contracted hazardous waste transportation and disposal company will have the final responsibility concerning the disposition of the hazardous waste collected from the household hazardous waste community collection program.
- 4.10 Consideration for recycling rather than disposal will be pursued for material that can be recycled in a timely and economical manner.
- 4.11 Treatment methods of detoxification and/or incineration will be considered before Class 1 landfill disposal.

- 4.12 All final recycling, treatment, and disposal facilities to be considered must be certified and approved by the appropriate state and/or federal environmental agencies.
- 4.13 Make every effort to recycle water-based paint so that reformulated paint can be utilized for graffiti abatement projects or other government sponsored rehabilitation uses.
- 4.14 Operating hours for the City of Cathedral City's Mobile Household Hazardous Waste Collection Event will be from 9:00 A.M. to 2:00 P.M. on specific date agreed to by the COUNTY and the CITY. COUNTY or contracted personnel will remain on-site until all hazardous waste is properly packaged and stowed in secured roll-off boxes to prevent the potential for spills or release.
- 4.15 During the operation of the Household Hazardous Waste Collection Event, the County of Riverside, Community Health Agency, Department of Environmental Health/County Fire Department Hazardous Materials Emergency Response Team will be on call, as well as any local jurisdictional Hazardous Materials Team that wishes to participate.
- 4.16 The COUNTY is committed to the belief that this program should be open and available to any resident of Riverside County.
- 4.17 The COUNTY will provide a report to the CITY that will quantify the amount and types of household hazardous waste collected at the planned collection event.

V. HOLD HARMLESS

- 5.1 The COUNTY shall defend, indemnify, and hold harmless the CITY, its agents, officials, officers, and elected officials, from any liability from loss, damage, or injury to property or persons, including wrongful death arising out of or incident to any acts, omissions, or willful misconduct of the COUNTY, its agents or employees arising out of or in connection with this Agreement.

5.2 The CITY shall defend, indemnify, and hold harmless the COUNTY, its agents, officers, and employees, from any liability from loss, damage, or injury to property or persons, including wrongful death, arising out of or incident to any acts, omissions, or willful misconduct of the CITY, its agents or employees arising out of or in connection with this Agreement.

5.3 The Hold Harmless provisions herein shall survive the term of this Agreement.

VI. ENTIRE AGREEMENT

6.1 This Agreement contains the entire agreement between the parties with respect to the subject matter thereof, and supersedes all prior negotiations, understandings, or agreements both oral and written. This agreement may be amended in writing with the concurrence of agreements both oral and written. This agreement may be amended in writing with the concurrence of both parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on

_____.

RECOMMENDED FOR APPROVAL:

Earl Tuntland, Assistant Environmental Health Administrator
Hazardous Materials Management Division
Dated _____

CITY OF RIVERSIDE

By _____

Title _____

Date _____

Street Address

City, State, Zip

COUNTY OF RIVERSIDE

By _____

Director of Environmental Health
as authorized by County Resolution
No. 2001-156


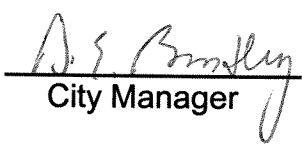

CITY OF CATHEDRAL CITY

BY _____
City Manager

**Approved as to form by
COUNTY COUNSEL:**

Dated _____

CITY OF CATHEDRAL CITY AGENDA REPORT

SUBJECT:	Increased contract costs for animal control services with California Animal Care		
DEPARTMENT:	Police Department	MEETING DATE:	October 24, 2001
CONTACT:	Stan Henry Chief of Police	DEADLINE FOR ACTION:	N/A
APPROVED:	 Department	 City Manager	 Finance

RECOMMENDATION:

Approve the increased contract costs for animal control services with California Animal Care in the amount of \$21,000.00.

BACKGROUND:

The City of Cathedral City presently contracts with California Animal Care for animal control services and shelter services. The existing contract started on July 1, 2001 and terminates on June 30, 2002. The present yearly cost of the contract is \$118,600.00. California Animal Care has requested an upward adjustment to the contract costs. The cost of the adjustment to the contract is \$1,750.00 per month or \$21,000.00 per year. This would raise the last year's contract costs to \$139,600.00.

Under Section 3 of the contract "Change of Circumstance", if there is a change of circumstance then the parties agree to meet in good faith to renegotiate the consideration for the remainder of the term of this contract. This increase in contract costs by California Animal Care is due to their increased costs in the areas of Wages, Workers Compensation, Disposal Costs, Gasoline, Electric and Veterinary Services.

Based upon meetings with California Animal Care this cost increase would appear to be justified. Cost increases were also given to other contract clients of California Animal Care. Failure to approve the contract increase could cause California Animal Care to terminate the contract with cause giving the City 90 days notice.

Due to the increased costs for animal control service to the City of Cathedral City a request was made to the Palm Springs Police Department for a proposal to contract animal control service to our City. The contract proposal from Palm Springs would cost

the City of Cathedral City \$250,663.72 per year. This is \$111,063.72 more per year than the increased contract costs from California Animal Care.

FISCAL ANALYSIS:

The increased contract costs for animal control services (FY 2001/2002) will be \$21,000.00 from the General Fund for a total contract cost of \$139,600.00.

OTHER ALTERNATIVES:

Request proposals from other animal control providers for contracting costs.

ATTACHMENTS:

California Animal Care letter of February 12, 2001

Cost Comparison City of Palm Springs / City of Cathedral City as of September 6, 2001



February 12, 2001

City of Cathedral City
68700 Avenida Lalo Guerrero
Cathedral City, CA 92234

During the past year, California Animal Care has experienced cost increases far beyond what could be reasonably anticipated. Some examples are:

- Wages Up 11.5% (Per State labor law)
- Workers Compensation Up 54% (base rate, not experience mod)
- Disposal Service Up 80% (due to increased cost of natural gas)
- Gasoline Up 28%
- Electric Up 23%
- Veterinary Services Up 23%

If this were expected to be a temporary condition, we would just try to absorb it. But all indications are that these increases are permanent and may even worsen.

Therefore, in order for us to continue providing the animal control services at your present level, we must increase our contract by \$1,750.00 per month.

We are passing this same percentage increase along to all the cities we serve. Based on the costs of other cities or the County, it is still a bargain and only serves to bring us back from a deficit position to a break-even.

This increase will be effective on your next quarterly billing.

Yours very truly,



Daryl Hitchcock
Director

DH:sl

ANIMAL CONTROL COMPARISON BETWEEN PALM SPRINGS AND CATHEDRAL CITY

	<u>#FT/PT STAFF</u>	<u>#OF KENNELS</u>	<u>BLDG. SQ. FOOTAGE</u>
Calif. Animal Care (CAC)	7 FT*	42	3,645 Sq. Ft.
Palm Springs	4 FT**	23***	6,193 Sq. Ft.

* CAC contracts with Cathedral City, Palm Desert, Rancho Mirage and Indian Wells with 7 full time employees

** 1 FT Temporary position is open and 1 PT Temporary position open

*** Kennels could be divided with guillotine door to increase # of kennels to 46

	<u>Palm Springs</u>	<u>CAC</u>
1. LICENSED <u>DOGS</u> IN CITY:	2500	2259
2. NUMBER OF <u>DOGS</u> IMPOUNDED:	1053	946
3. NUMBER OF <u>CATS</u> IMPOUNDED:	785	470
4. NUMBER OF <u>DOGS</u> ADOPTED:	280	151
5. NUMBER OF <u>CATS</u> ADOPTED:	240	69
6. NUMBER OF <u>DOGS</u> RETURNED TO OWNER:	342	229
7. NUMBER OF <u>CATS</u> RETURNED TO OWNER:	23	20
8. NUMBER OF <u>DOGS</u> EUTHANIZED:	437	566
9. NUMBER OF <u>CATS</u> EUTHANIZED:	532	381

Annual cost budgeted this fiscal year for animal care in the City of Cathedral City is \$128,000.

Annual cost budgeted this fiscal year for animal care in the City of Palm Springs is \$375,592

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The City of Cathedral City only pays CAC \$35.00 per call for all deceased animal calls received during weekends. CAC bills the City of Cathedral City quarterly for this additional service.

Emergency service fees charged by the City of Palm Springs for after hours responses will be charged at a rate of \$75.00 per call to be billed separately on a quarterly basis.

FEES, REVENUES AND DONATIONS

The City of Palm Springs shall collect all revenues, fees and donations.

Fees may be charged as set by resolution of the City of Palm Springs for the following services:

- (1) Impound
- (2) Licenses (canines and felines)
- (3) Revenues may be collected by cash or check. Receipts shall be provided to all individuals making such payment.
- (4) All fees and donations collected shall belong to the City of Palm Springs.

PERSONNEL COSTS

A/C Officer (Step 5)	\$38,280.00	A/C Assistant (Step 5)	\$34,704.80
Holiday Pay	633.25	Holiday Pay	574.41
Uniform Allowance	1,020.00	Uniform Allowance	1,020.00
PERS	2,791.55	PERS	2,532.16
Medicare Tax	518.67	Medicare Tax	470.48
FICA	238.20	FICA	216.07
Fringe Benefits	<u>7,952.26</u>	Fringe Benefits	<u>7,213.34</u>
Total Per A/C Officer	\$51,433.93	Total Per A/C Assistant	\$46,731.26

Total for (2) A/C Officers = \$102,867.86

MATERIALS, SUPPLIES & SERVICES

Office Supplies	\$ 1,710.00
Special Dept. Supplies	18,873.00
Non-Capital Equipment	900.00
Travel & Training	1,260.00
Dues & Subscriptions	360.00
Printing & Publishing	900.00
Office Equip OPS & Maint.	720.00
Special Parts & Repairs	900.00
Contractual Services	9,900.00
Community Relations	1,260.00
Neutering Fees	<u>8,100.00</u>
Total	\$44,883.00

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SPECIAL CHARGES

Insurance	\$35,739.00
City Vehicle Replacement	12,870.00
Facilities Maint. Service	<u>7,572.60</u>
Total	\$56,181.60

.. TOTAL CONTRACT PROPOSAL COST

PERSONNEL COSTS:

(2) A/C Officers \$102,867.86

(1) A/C Assistant \$ 46,731.26

MATERIALS, SUPPLIES & SERVICES: \$ 44,883.00

SPECIAL CHARGES: \$ 56,181.60

GRAND TOTAL: \$250,663.72

NOTE: The above proposal does not include facility and land lease or purchase costs. One proposal could include the lease or purchase of the Desert Animal Hospital as they will soon abandon their current location. Esther Petersen feels that we may be able to convert that location to an alternate shelter when our main shelter is full. No negotiations have taken place regarding the Desert Animal Hospital facility property. The facility wherein CAC currently houses their animals is leased by CAC from the current owner of that building and property.

**CITY OF CATHEDRAL CITY
CITY COUNCIL
AGENDA REPORT**

SUBJECT: Holiday Decorations

DEPARTMENT: Economic Development

MEETING DATE: October 24, 2001

CONTACT PERSON: Tony Barton

DEADLINE FOR ACTION: N/A

APPROVED:   
Department City Manager Finance

EXECUTIVE SUMMARY:

The City of Cathedral City has, for the past few years, participated in decorating the Town Square, East Palm Canyon and Date Palm Drive with Holiday Decorations. The decorations have been in the form of lights, trees, garland and "sprays" (sprays are the hangings on light poles).

The City Council has expressed a desire to add to the current inventory of Holiday decorations as time and budget would allow.

RECOMMENDATION:

That the City Council approve the expenditure of \$14,884 for the expansion and addition to the Holiday Decorating program.

BACKGROUND:

In the past, the City Council has approved and encouraged Staff to explore and bring forth a proposal for decorating the City during the Holiday season. In September of 1999, the City Council approved expenditures for lighting and decorations with the concept that the decoration program could be expanded at a future date. Besides expense, decorations were chosen based on the future availability, neutral position and ease of maintenance and storage.

As the Council may recall, the decoration program includes storage, cleaning and installation.

ANALYSIS:

Staff is recommending that an additional 57 sprays be added to the current inventory of holiday decorations. These would be placed on the light posts throughout the Town Square and along E. Palm Canyon Drive on the opposite side of the existing decorations. This would, in essence, complete the poles and create a more full "look" to the current program.

The cost of the 57 sprays (with tax) is \$13,174 with an additional \$1,710 for storage and installation.

The City Council, during their 2001/2002 budget review and process, approved a budget of \$20,000 for Holiday Decorations under the capital outlay portion of the Parks and Recreation Budget. Within this budget is included the current inventory installation and storage.

ALTERNATIVES:

Deny the request and use the same inventory.

FISCAL IMPACT:

\$14,884 – Account # 100-412-8801

ATTACHMENTS:

Order quote from Harrington Decorating Company

HARRINGTON DECORATING COMPANY, INC.

P.O. Box 8126 * Huntington Beach, CA 92615-8126
 PH 800-375-XMAS * FAX 714-989-9650

Order Form**BILL TO:**

City of Cathedral City
 Attn: Accts. Payable
 68-700 Ave. Lalo Guerrero
 Cathedral City, CA 92234-7031

SHIP TO

The Jarvis Co.
 4284 1/2 Mission Blvd.
 Montclair, CA 91763

TERMS	Net 30
SHIP VIA	Best Surface
FOB	Prepay/bill
DATE	9-27-01

ITEM NO.	DESCRIPTION	QTY.	UNIT COST	TOTAL AMOUNT
Special-CVD	3.5' high x 20" wide pole-mounted Candy Cane Spray w/ lights on Candy Canes only (Ref. F.O. #990750)	57	215.00	12,255.00
SUBTOTAL				12,255.00
50% Deposit				
Authorized Purchaser				
Print Name and Title				
7.5				
%				
Tax				919.13
TOTAL DUE				13,174.13

SPECIAL INSTRUCTIONS

Current installation charges total \$3,664.85. An additional fee of \$1,710.00 would be due as a result of this purchase for a total contract price of \$5,374.85.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF CATHEDRAL CITY, CALIFORNIA, SUPPORTING US
SENATOR BARBARA BOXER'S (D-CA) INTRODUCTION
S. 1505, THE REDISCOVER AMERICA ACT OF 2001.**

Whereas, the United States economy was shaken to it's foundations by the terrorist assault on the World Trade Center and the Pentagon on September 11, 2001; and

Whereas, the travel and tourism industry was immediately affected by these attacks with many cities reporting a 50 – 70% decline in reservations and convention bookings; and

Whereas, the travel and tourism industry provides over \$582 billion in revenue nationwide, making up 7% of the nations gross domestic product and the industry provides 1.1 million jobs to Californians and over 17 million jobs nationwide; and

Whereas, the travel and tourism industry in the Coachella Valley is the leading private sector job producer and a significant portion of the valley city's financial income; and

Whereas, US Senator Barbara Boxer (D-CA) has introduced S. 1505, the Rediscover America Act of 2001, and

Whereas, the Rediscover America Act of 2001 would provide \$60 million to establish within the Department of Commerce a United States Travel and Tourism Promotion Bureau to work to help restore consumer confidence in travel and to work in conjunction with private industry and industry employee representatives to design and implement public service announcements and advertising to promote tourism, encouraging Americans and foreign visitors to rediscover the nation's treasures.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF
CATHEDRAL CITY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The City Council gives its full support of S. 1505 on behalf of the residents of the City of Cathedral City and urges the immediate passage of this legislation by the Senate and Congress; and

SECTION 2. The City Council of the City of Cathedral City thanks Senator Boxer for your efforts and work on behalf of the travel and tourism industry in California that is so vital to our economic well-being in the Coachella Valley; and

SECTION 3. The City Council of the City of Cathedral City directs that copies of this resolution be placed in the Book of Resolutions and copies be sent to Senator Boxer and the leadership of the United States Senate and House of Representatives.

SECTION 4. This Resolution shall take effect upon its adoption.

SECTION 5. The City Clerk shall certify as to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

APPROVED AND ADOPTED this _____ day of _____, 2001, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

George Stettler, Mayor

ATTEST:

Donna M. Velotta, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Steven B. Quintanilla, City Attorney

Donald E. Bradley, City Manager